



PALADIN

Clean energy. Clear future.

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ASX Announcement
25 January 2024

Quarterly Activities Report **For the period ending 31 December 2023**

Paladin Energy Ltd (**Paladin** or the **Company**) is pleased to provide an update on its activities and cashflow for the quarter ended 31 December 2023.

HIGHLIGHTS

- Production activities have commenced with first ore feed into the Langer Heinrich Mine (LHM) processing plant on 20 January 2024 following successful commissioning of the beneficiation circuit
- The LHM Restart Project is now over 93% complete with final construction and ongoing commissioning activities continuing across the processing plant
- Paladin continues to target first commercial production by the end of Q1 CY2024, but notes that lower contractor productivity over the Christmas / New Year period may result in a delay to early Q2 CY2024
- The Company is forecasting total project capital costs of approximately US\$125 million (previously US\$118 million)
- Over 2 million hours have been worked on the LHM Restart Project without any serious injuries or reportable environmental incidents
- Paladin executed a US\$150 million syndicated debt facility on 24 January 2024 to provide capital flexibility as the Company recommences operations at the LHM and progresses its growth options
- Unrestricted cash as at 31 December 2023 of US\$61.6 million.

Paladin CEO, Ian Purdy said *“After more than six years of care and maintenance it is exceptionally pleasing to see production activities recommence at the Langer Heinrich Mine, with first ore feed to the processing plant achieved in January. Executing a syndicated debt facility ahead of operations has been a key strategy for Paladin and will provide increased capital flexibility as we transition through ramp up and progress to full production at Langer Heinrich. With a strong uranium price outlook and a return to production imminent, Paladin remains well positioned to generate strong returns for our stakeholders”.*



MINING PRODUCTION AND DEVELOPMENT

The Company continues to progress and execute the final activities required to return the Langer Heinrich Mine to production. Production activities have commenced with first ore feed into the front-end circuit achieved on 20 January 2024. Initial ore feed has been sourced from existing stockpiles which are planned to support the ramp up of the LHM. Commissioning activities are underway in all other areas of the plant.

First commercial production is expected by the end of Q1 CY2024; however, lower contractor productivity over the Christmas / New Year period may result in a delay to early Q2 CY2024. There has been extensive collaboration between the commissioning team and the operations team which has helped to offset reduced productivity.

The Company is forecasting total project capital costs of approximately US\$125 million (previously US\$118 million) with all major construction costs committed and including additional contractor resourcing forecast during the commissioning phase.

The ongoing commissioning activities, coupled with the time required to build in-circuit metal inventory in the processing plant, are the current critical path items to successful project completion.

The Restart Project is now over 93% complete, and has achieved the following milestones and progressed the following activities during the quarter:

- Over 2,000,000 project work hours achieved Lost Time Injury (LTI) free
- Recruitment of approximately 90% of the operations team, with experienced personnel filling all critical roles
- Demobilisation of the contractor workforce has commenced with approximately 760 personnel on site in January 2024, a significant reduction from the peak of 1,200
- Operational readiness activities nearing completion, with operational systems for safety, maintenance and production completed
- Robust shut-down and start-up plans established
- Majority of the construction verification activities complete or nearing completion
- Installation of the new Final Product Recovery (FPR) plant has commenced
- Mobilisation of all equipment and personnel by the mining contractor for stockpile rehandling is now complete
- All reagents delivered and stored on-site or at local suppliers
- Delivery of all commissioning spares and the majority of critical and operational spares
- Continued progress of power and water capacity upgrades with completion of the NamWater pipeline booster 2 upgrade works.



EXPLORATION

Paladin now holds a 100% interest in the Michelin Project in Labrador, Canada. As a result of the funding and dilution provisions of the Joint Venture Agreement, the Michelin Nominees surrendered their 25% participating interest in the Michelin Joint Venture and the 25% interest has been transferred to Aurora.

The Michelin Project is located in a strategic land position in a premier mining jurisdiction and the Company is advancing the review of work programs to determine the preferred approach for progressing development and exploration pathways of the advanced exploration asset.

The exploration program undertaken this quarter has continued to focus on detailed geological and structural mapping of prospective areas of the tenement, with the commencement of an initial drilling program. Paladin met all tenement expenditure commitments during the quarter.

The Company remains engaged on an ongoing basis with local communities, government and native title holders, and continues to explore value enhancement opportunities across the Company's broader asset and exploration portfolio.

The Company's tenement holdings at the end of the quarter and their locations are detailed in Appendix One.

URANIUM MARKETING

Paladin currently has approximately 80%¹ uncapped upside exposure to the uranium spot price through to the end of CY2030. The Company also has flexible shipping arrangements and early payment terms with its largest customer, providing significant delivery flexibility and improved cash flow during the LHM operational ramp-up.

During the quarter, the Company executed a non material offtake agreement for the supply of uranium to an industry leading counterparty in Europe. Paladin has a geographically diverse offtake book, with seven offtake agreements executed with top-tier counterparties in the US, Europe and China. These contracts range in type and duration and provide base-escalated, fixed-price and market-related pricing mechanisms.

Paladin executed commercial agreements with two Western conversion facilities and has received export permits for CY2024 from the Ministry of Mines & Energy in Namibia.

CORPORATE

Paladin executed a US\$150 million syndicated debt facility (Debt Facility) on 24 January 2024, as announced on 25 January 2024. The execution of the Debt Facility marks the successful completion of an international syndication process, including LHM site visits by independent technical and environmental experts and corporate due diligence by financier teams. Paladin is pleased to have executed the Debt Facility with two lending financial institutions, Nedbank Limited, acting through its

¹ Based on Langer Heinrich Uranium Life of Mine production to CY2030, as detailed in the ASX Announcement "Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update" dated 4 November 2021. All material assumptions underpinning the production target continue to apply and have not materially changed. Based on nominal contract volumes of executed offtake agreements. Assumes CNNC takes 25% of production post 2025 (Life of Mine offtake).



Corporate and Investment Banking division (Nedbank CIB) and Macquarie Bank Limited, with Nedbank CIB acting as lead arranger and bookrunner.

The Company released its 2023 Sustainability Report on 17 October 2023, presenting detailed and transparent measures of its Environmental, Social and Governance (ESG) related actions, an update on progress over the past year and the focus on continuing to strengthen and uphold commitments into the future. Paladin remains fully committed to a globally accredited ESG framework that represents best practice and sets standards of organisational behaviour.

Paladin hosted its Annual General Meeting on 15 November 2023. All resolutions were decided by poll and passed. The Company would like to thank shareholders for their continued support.

Cash and Expenditure

At 31 December 2023, Paladin had no corporate debt, and held cash and cash equivalents of US\$61.6 million (excluding restricted cash of US\$1 million). Following the end of the quarter, Paladin executed a US\$150 million Debt Facility.

The Company's net cash expenditure for the quarter was US\$40.5 million.

Cash expenditure during the quarter is detailed in the following table:

Cash Expenditure	US\$ million
LHM Operations ⁽¹⁾	(9.4)
LHM Restart Project	(25.5)
Exploration	(1.8)
Corporate Costs	(3.8)
Total Cash Expenditure	(40.5)
Other Net Proceeds	0.6
Foreign Exchange Movement	1.7
TOTAL CASH MOVEMENT	(38.2)

⁽¹⁾ Includes Pre-Production Costs incurred prior to the declaration of commercial production including commissioning costs.

Related Party Payments

Payments of US\$171,469 were made to related parties and their associates during the quarter, being the payment of Director's Fees as noted in Section 6 of Appendix 5B.



This announcement has been authorised for release by the Board of Directors of Paladin Energy Ltd.

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About Paladin

Paladin Energy Ltd (ASX:PDN OTCQX:PALAF) is an Australian listed, independent uranium company with a focus on restarting its globally significant Langer Heinrich Mine, currently progressing to commercial production in CY2024. With a proven operations performance over 10 years, Langer Heinrich is on track for successful, long-life operations delivering real stakeholder value. The mine's future-facing drive includes a robust ESG framework in place to support its accountability-led contribution to decarbonisation.

The Company also owns a large global portfolio of uranium exploration and development assets. As nuclear power remains a leading sustainable source of low-carbon electricity generation, Paladin has a clear role in positive, worldwide change.

Forward-looking statements

This announcement contains certain forward-looking statements. The Company cannot guarantee that any forward-looking statement will be realised. Achievement of anticipated results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements, and you are cautioned not to put undue reliance on forward-looking statements.



APPENDIX ONE

TENEMENT INFORMATION REQUIRED BY LISTING RULE 5.3.3

Tenement information is provided as at 31 December 2023.

Tenement	Location	Ownership	Change in Quarter
EPM 11898	QLD, Australia	20%	No change
EPM 13412	QLD, Australia	20%	No change
EPM 13413	QLD, Australia	20%	No change
EPM 13682	QLD, Australia	20%	No change
EPM 14233	QLD, Australia	18%	No change
EPM 14694	QLD, Australia	20%	No change
EPM 14712	QLD, Australia	20%	No change
EPM 14821	QLD, Australia	20%	No change
EPM 14935	QLD, Australia	20%	No change
EPM 15156	QLD, Australia	20%	No change
MDL 507	QLD, Australia	100%	No change
MDL 508	QLD, Australia	100%	No change
MDL 509	QLD, Australia	100%	No change
MDL 510	QLD, Australia	100%	No change
MDL 511	QLD, Australia	100%	No change
MDL 513	QLD, Australia	100%	No change
M08/86	WA, Australia	100%	No change
M08/87	WA, Australia	100%	No change
M08/88	WA, Australia	100%	No change
E08/1645	WA, Australia	100%	No change
E08/1646	WA, Australia	100%	No change
EL 6132	SA, Australia	7.5%	No change
ML 140	Namibia, Africa	75%	No change
ML 172	Namibia, Africa	75%	No change
025621M	NL, Canada	100%	25% increase 17.10.2023
025675M	NL, Canada	100%	25% increase 17.10.2023
025676M	NL, Canada	100%	25% increase 17.10.2023
025681M	NL, Canada	100%	25% increase 17.10.2023
035936M	NL, Canada	100%	25% increase 17.10.2023
035937M	NL, Canada	100%	25% increase 17.10.2023
035938M	NL, Canada	100%	25% increase 17.10.2023
035939M	NL, Canada	100%	25% increase 17.10.2023
035940M	NL, Canada	100%	25% increase 17.10.2023
035941M	NL, Canada	100%	25% increase 17.10.2023
035942M	NL, Canada	100%	25% increase 17.10.2023
035943M	NL, Canada	100%	25% increase 17.10.2023
035944M	NL, Canada	100%	25% increase 17.10.2023
035945M	NL, Canada	100%	25% increase 17.10.2023
035946M	NL, Canada	100%	25% increase 17.10.2023



035947M	NL, Canada	100%	25% increase 17.10.2023
035948M	NL, Canada	100%	25% increase 17.10.2023
035949M	NL, Canada	100%	25% increase 17.10.2023
035950M	NL, Canada	100%	25% increase 17.10.2023
035951M	NL, Canada	100%	25% increase 17.10.2023
035952M	NL, Canada	100%	25% increase 17.10.2023
035953M	NL, Canada	100%	25% increase 17.10.2023
035954M	NL, Canada	100%	25% increase 17.10.2023
035955M	NL, Canada	100%	25% increase 17.10.2023
035956M	NL, Canada	100%	25% increase 17.10.2023
035957M	NL, Canada	100%	25% increase 17.10.2023
035958M	NL, Canada	100%	25% increase 17.10.2023
035959M	NL, Canada	100%	25% increase 17.10.2023
036504M	NL, Canada	100%	No change
036505M	NL, Canada	100%	No change
036506M	NL, Canada	100%	No change
036507M	NL, Canada	100%	No change
036508M	NL, Canada	100%	No change
036509M	NL, Canada	100%	No change
036510M	NL, Canada	100%	No change
036511M	NL, Canada	100%	No change
036512M	NL, Canada	100%	No change