ASX: PDN | TSX: PDN

PALADIN

Management's Discussion and Analysis

For the year ended 30 June 2024, and three and nine month periods ended 31 March 2025

All figures are in US dollars unless otherwise indicated

Contents

Introduction

The following Management Discussion and Analysis (**MD&A**) for Paladin Energy Ltd (**Paladin** or the **Company**) and its controlled entities (**Group**) should be read in conjunction with the Group's unaudited condensed interim financial report for the three and nine month periods ended 31 March 2025 effective as at 12 May 2025, as well as the Group's audited financial report for the year ended 30 June 2024.

Following Paladin's acquisition of Fission Uranium Corp. and listing on the Toronto Stock Exchange, Paladin became a reporting issuer and is required to prepare and file unaudited interim financial statements for each interim period and prepare and file a MD&A.

In preparing this MD&A, Paladin considers the materiality of information. Information is considered material if: (i) it results in, or would reasonably be expected to result in, a significant change in the market price or value of Paladin's shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Materiality is evaluated with reference to all relevant circumstances, including potential market sensitivity.

All financial information included in this MD&A is presented in United States dollars (USD), unless otherwise noted. Certain dollar amounts have been rounded to the nearest thousand dollars, and tables may not add due to rounding.

Additional information relating to Paladin and its operations, including Quarterly Activities Reports, the latest Audited Annual Report for the year ended 30 June 2024, the Interim Financial Report for the six months ended 31 December 2024, and other public disclosures, is available on the Paladin Energy Limited website.

Overview

Paladin (**ASX: PDN, TSX: PDN, OTCQX: PALAF**) is a globally significant independent uranium producer with a 75% ownership of the Langer Heinrich Mine (**LHM**) located in Namibia, one of the world's premier uranium mining jurisdictions. The LHM restarted commercial production during March 2024, following an extensive refurbishment program, with first shipments of U_3O_8 at the start of FY2025. Paladin is now focused on ramping up production from the LHM. During the nine months to 31 March 2025, production at the mine continued to ramp up with a total of 2.0Mlb of Uranium (U_3O_8) produced. In late 2024, Paladin acquired Canadian company Fission Uranium Corp. (Fission) and listed its shares on the Toronto Stock Exchange (TSX) as a consequence of that transaction.

The Company has two projects in Canada which together have the capacity to provide a multi-decade development and production pipeline. Following the acquisition of Fission, the Group added the world-class Patterson Lake South (**PLS**) project and the associated exploration portfolio to its Canadian development hub, creating one of the world's largest pure play uranium companies. PLS is in the development stage and is currently Paladin's most advanced development project. Integration of the Fission business and team has progressed according to plan, resulting in the establishment of the Paladin Canada business unit combining all Canadian operations. (including the Michelin Project). Paladin is currently reviewing the 2023 Feasibility Study aiming at identifying areas for further optimisation and de-risking the project development

Paladin has advanced exploration projects in both Queensland and Western Australia, strategically located in prospective mining jurisdictions providing future value accretion opportunities. The state government of Queensland permits uranium exploration, but bans uranium mining, whilst the current state government of Western Australia currently has a no-development uranium mining policy.

Paladin has a geographically diverse contract portfolio, with twelve uranium sales agreements executed with top-tier counterparties in North America, Europe and Asia. These contracts range in type and duration and provide base-escalated, fixed-price and market-related pricing mechanisms. Paladin continues to engage with top-tier industry counterparties.

The Company is incorporated under the laws of Australia with a dual share market listing on the Australian Securities Exchange (**ASX**) and the TSX with an additional listing on the Namibian Stock Exchange (**NSX**). The Group also trades on the OTCQX market in the United States of America.

Highlights

Paladin Energy Ltd is pleased to provide an update on its activities and results during the financial year ended 30 June 2024 and the three and nine month periods ended 31 March 2025.

For The Year Ended 30 June 2024:

- Commercial production was achieved at the LHM on 30 March 2024, following the successful completion of the LHM Restart Project
- The LHM Restart Project was delivered on time and within the cost forecast, with total expenditure of US$119.7 million and over 2.5 million hours worked without serious injury or reportable environmental incident
- Following the achievement of commercial production, production ramped up with 517,597lb U_3O_8 produced to 30 June 2024
- The Company executed a US$150 million syndicated debt facility on 24 January 2024 to provide capital flexibility as the company recommenced operations at the LHM. This facility has provided essential liquidity and financial flexibility, supporting the restart of LHM operations and underpinning ongoing growth initiatives
- Ownership of the Michelin Project increased to 100% following the surrender of a 25% interest by the Michelin Nominees.

For The Nine Months Ended 31 March 2025:

- Total production from the LHM for the nine months ended 31 March 2025 amounted to 2Mlb U_3O_8, with 2Mlb U_3O_8 sold
- Despite a significant weather event, production for the March 2025 quarter was 745,484lb U_3O_8 at the LHM, representing a 17% increase on the previous quarter and the highest quarterly level of production since the restart of the LHM
- Sales for the quarter ended 31 March 2025 were 872,435lb at an Average Realised Sales price of US$69.9/lb (non-IFRS – refer page 36)
- As of 31 March 2025, Paladin holds twelve uranium sales agreements with global customers in its world-class contract book, with 22.3Mlb U_3O_8 contracted to 2030
- Initial mining activities commenced at the LHM, with fleet mobilisation progressed, first blast completed and mined ore fed to the processing plant subsequent to quarter end
- A planned two-week plant shutdown at the LHM in November 2024, completed on schedule, delivered significant and ongoing improvements in recovery rates and water supply stability
- On 24 December 2024, Paladin completed its acquisition of Fission Uranium Corp., adding the world-class PLS project to its portfolio
- Paladin became dual-listed when it listed on the TSX on 27 December 2024
- Mutual Benefits Agreements (MBAs) have subsequently been signed with both the Clearwater River Dene Nation and the Buffalo River Dene Nation, establishing long-term Indigenous partnerships for the development of the PLS project
- The Company received an exemption from Canada's Non-Resident Ownership Policy (**NROP**), securing 100% ownership rights of the PLS project through commercial production and reflecting the NROP held for the Michelin Project
- Paladin held unrestricted cash and short-term investments of US$127.8M at 31 March 2025, along with undrawn debt facilities of US$50M

Group Operational Progress

		Three months ended		Nine months ended		Three months ended	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024	30 June 2024	30 June 2023
Revenue[1]	US$'000	60,974	-	138,229	-	-	-
Cost of Sales[1]	US$'000	(63,638)	-	(140,032)	-	-	-

1. All revenue and cost of sales relate to the Namibian segment

- Commercial production at the LHM was achieved on 30 March 2024 following completion of the LHM Restart Project activities. No revenue or accompanying cost of sales was recognised to 30 June 2024
- During the quarter ended 31 March 2025, revenue of US$61.0 million was recorded, reflecting the sale of 0.9Mlb U_3O_8. During the nine months ended 31 March 2025, revenue of US$138.2 million was recorded, reflecting the sale of 2.0Mlb U_3O_8
- During the quarter ended 31 March 2025, cost of sales of US$63.6 million (US$140.0 million year-to-date) was recognised. Cost of Sales includes cost of production (non-IFRS – refer page 37), reversal of previous stockpile impairment, depreciation and amortisation related to the production of U_3O_8, selling costs, and the net changes in inventory levels. The Cost of Production (non-IFRS – refer page 37) for the quarter was US$40.6/lb with an Average Realised Price for sales (non-IFRS – refer page 36) of US$69.9/lb.
- As at 31 March 2025, the Group conducted a review of its inventory items in accordance with AASB 102 / IAS 2 Inventories and recorded an impairment of US$19.9M. The assessment considered the production to date, the carrying value of the current inventory, the grade performance of the ore stockpile to date compared to expected performance, the accessibility of part of the stockpile and consideration of the delivery into sales contracts and the expected contract and market prices for U_3O_8.

Paladin Namibia

The Langer Heinrich Mine is located in Namibia, one of the world's premier uranium mining jurisdictions. The mine recommenced commercial production in March 2024, following an extensive refurbishment program, with first shipments of U_3O_8 at the start of FY2025. The LHM is a proven, low risk, conventional alkaline leach processing circuit and is currently processing medium grade stockpiled ore, while transitioning to open-pit mining and blending of stockpiles with the mined ore.

LHM Operations

LHM Summary (100%)[1]		Q3 31 March 2025	Q2 31 December 2024	Q1 30 September 2024	Year-to-date 31 March 2025
Tonnes Processed	DT (million)	0.90	0.75	0.83	2.49
Ore Feed Grade	U_3O_8 PPM	419	404	422	415
Plant Recovery	%	88	88	69	82
U_3O_8 Produced	lb	745,484	638,409	639,679	2,023,572
Cost of Production[2] (non-IFRS – refer page 37)	US$/lb	40.6	42.3	41.9	41.6
Impairment reversal[3]	US$/lb	18.4	17.2	18.8	18.2
Sustaining Capital Expenditure (non-IFRS – refer page 38)	US$M	7.2	8.7	2.9	18.8

1. Paladin has a 75% interest in the LHM
2. Cost of Production (non-IFRS – refer page 37) includes stockpile rehandling costs, processing costs & site administration costs, but excludes depreciation & amortisation and G&A costs
3. Impairment reversal is calculated as average cost per pound, based on the 31 December 2023 impairment reversal on existing stockpiles of US$92M. The cost per pound varies based on grade, recovery and contained uranium realised for the period

- Production activities have been ramping up since the completion of the LHM Restart Project. Performance metrics indicate that tonnes processed, plant recovery, and U_3O_8 produced have trended positively for the quarter ended March 2025 since the commencement of commercial production on 30 March 2024.
- Significant process improvements were delivered during the planned two week shutdown in November 2024. These improvements include enhanced burner technology in the leach steam circuit, upgrades to pump and pipe systems in the counter current decantation circuits and strengthened water supply management. Production for the December 2024 quarter was impacted by this shutdown. The benefits provided by the improvements have been sustained during the following months.
- 2.0Mlb U_3O_8 were produced for the nine months ended 31 March 2025 with 745,484lb U_3O_8 produced during the March 2025 quarter, a 17% increase over the previous quarter's production
- A one-in-fifty-year rainfall event[1] at the LHM and surrounding areas in March caused the suspension of operations, saturation of the stockpiles and impacts on the processing plant chemistry. Additionally, flooding in the pit identified for early commencement of mining, along with delays in the delivery and mobilisation of mining equipment, caused disruptions to the start of the planned mining ramp up. Local access roads and civil infrastructure were also damaged by the widespread rainfall. However, there was no significant damage to the processing plant, and operations have now safely resumed.
- Despite these interruptions, during the March 2025 quarter Paladin achieved the highest quarterly production volumes since the restart of the LHM. The focus at the LHM during the quarter was on optimising the feed blend and increasing throughput. An average plant recovery rate of 88% was achieved. The stockpile remains the primary ore source for the crusher feed. NamWater average inflows were received at contract levels during the quarter, and rainwater flows were captured for use to supplement process water within the operations
- Sustaining capital expenditure for the March 2025 quarter was primarily related to the cost of construction of the next tailings storage facility (**TSF6**). While construction of the TSF6 was slightly delayed due to the rainfall event, the impact was minor, and TSF6 is expected to be completed in the June 2025 quarter

[1] Refer to Paladin's ASX Announcements titled 'Unseasonal rains impact the Langer Heinrich Mine' dated 21 March 2025, and 'Update on the Langer Heinrich Mine and production guidance' dated 26 March 2025

- The unseasonal heavy rainfall has also adversely impacted production volumes in early April 2025, due to the prior temporary suspension of operations, including feed delays to the plant and process inventory losses. Processing operations have subsequently returned to normal, and work continues to stabilise the plant chemistry and feed from the stockpiles that were saturated by the heavy rainfall.
- Total finished product inventories at 31 March 2025 are valued at US$62.2M (1Mlbs U3O8) net of impairment compared to US$28.0M at 30 June 2024 (0.5Mlbs U3O8). Inventories have increased as a result of the ramp up of production over the first nine months of the year. The average cost for finished product has increased to US$60.97/lb compared to US$54.07/lb at 30 June 2024. Inventories vary from quarter to quarter depending on the timing of production, shipping schedules, purchases and sales deliveries in the year as demonstrated below.

LHM Summary (100%)[1]		Q3 31 March 2025	Q2 31 December 2024	Q1 30 September 2024	30 June 2024
Finished product – carrying value	US$'000	62,251	62,041	52,417	27,984
Finished product - quantities	U_3O_8 lb	1,020,991	867,943	769,534	517,596

1. Includes 200,000lb loan material delivered into an existing contract

Mining

- Despite the disruption caused by the significant rain event initial mining activities have commenced subsequent to the end of the March 2025
- Mining was initially planned for pit G3A within the G-pit, which was historically accessed and operated. During the significant weather event, pit G3A was flooded requiring extensive dewatering. An alternative pit was identified for the commencement of mining (pit G2A), as this pit was less developed and not subject to flooding. Initial blasting of pit G2A occurred successfully and safely during April 2025. This was the first blasting at the LHM for nearly a decade
- The haul road network between the Run Of Mine (ROM) and the G-pit has been re-established, and G2A is being drilled and blasted, with load and haul commencing from G2A to the ROM pad and the crusher. The dewatering and pit preparation for mining of pit G3A has been progressing well during early April 2025. Over time, the G-pit will evolve into a single open pit, encompassing the existing smaller pit areas within the larger pit boundary
- The Company continues to assess blending strategies to utilise the higher than planned volumes on the medium grade stockpile, and address the saturation of this stockpile during the heavy rain. The stockpile material continues to be processed and will be blended with freshly mined material at levels that are expected to optimise plant efficiencies.

LHM Sales and Marketing

		Q3 31 March 2025	Q2 31 December 2024	Q1 30 September 2024	Year-to-date 31 March 2025
U_3O_8 Produced	lb	745,484	638,409	639,679	2,023,572
U_3O_8 Sold[1]	lb	872,435	500,143	623,064	1,995,642
Average Realised Price (non-IFRS – refer page 36)	US$/lb	69.9	66.9	70.3	69.3

1. Includes 200,000lb loan material delivered into an existing contract

- 2.0Mlb U_3O_8 was sold for the nine months ended 31 March 2025. Sales of 872,435lb U_3O_8 exceeded production of 745,434lb U_3O_8 for the March 2025 quarter due to the timing of deliveries under the Company's contract portfolio
- Paladin achieved an Average Realised Price (non-IFRS – refer page 36) of US$69.9/lb for the March 2025 quarter
- Quarterly sales, Average Realised Prices (non-IFRS – refer page 36) and cashflows are dependent on the mix of contract pricing mechanisms, payment terms and the timing of individual deliveries based on customer requirements from quarter to quarter
- Paladin had twelve uranium sales agreements at 31 March 2025 with tier-one global customers in its world-class contract book, with 22.3Mlb U_3O_8 contracted 2030
- The Company met all delivery obligations in the March 2025 quarter. Paladin has notified its customers of the one-in-fifty-year weather event in Namibia, and continues to work with its customers regarding future contracted deliveries.

LHM Exploration

- Resource optimisation and drilling has commenced in the LHM's existing mining lease (ML140) to enhance mine planning for future operations by continuing to expand our understanding of the in-ground resources. Work is also being undertaken to prepare for additional exploration activities in the adjacent lease (ML172).

LHM Sustainability

- There were no significant safety incidents or reportable environmental incidents during the period, including in relation to the recent significant weather event. Safety risk management processes have been enhanced at the LHM, and a new emergency response vehicle has been commissioned. Environmental monitoring activities at the LHM continue to advance
- The LHM continued to provide training and support for employees and contractors, including conducting radiation training, fire, safety and emergency training and environmental awareness training over the period
- The LHM also continues to support various local initiatives, reinforcing the Company's commitment to social responsibility. In the March 2025 quarter, an ambulance and equipment were donated to assist with health, safety and wellbeing in the Erongo region, and a range of transport and computing equipment, including a vehicle and bicycles, were donated to the police force to assist with local security and safety. Computing equipment was provided to regional community organisations to enable children to undertake educational activities, and to provide the opportunity for local residents to prepare CVs for employment opportunities within the local communities
- The acceleration of mining activities within the LHM will also provide increased full time employment opportunities for local residents, including via the contractor associated with the ongoing works.

Paladin Canada

The Company has two projects in Canada which together have the capacity to provide a multi-decade development and production pipeline. The PLS Project located in the Athabasca Basin, Saskatchewan was acquired through the acquisition of Fission Uranium Corp. in December 2024, while the Michelin Project in Newfoundland and Labrador has been held by the Company as part of its long-term development plans. PLS is at the development phase, while the Michelin Project is at a Preliminary Economic Assessment phase that is being supported by ongoing exploration.

Area of Interest	Ownership	Claims	Hectares	Stage	Carrying Value (US$'000)
Canada – Fission	100%	49	57,622	Permitting / Prospecting	395,024
Canada – Michelin	100%	37	98,175	Prospecting	39,687

Acquisition of Fission Uranium Corporation

- Paladin and Fission entered into a definitive arrangement agreement, whereby Paladin acquired 100% of the issued and outstanding shares of Fission by way of a court approved plan of arrangement under the Canada Business Corporation Act. The transaction completed on 24 December 2024
- The combination of Paladin and Fission creates a globally significant uranium company listed on the ASX and TSX with a portfolio of production, development, and exploration assets. The acquisition also creates a leading Canadian development hub, with a high-quality multi-asset portfolio with exposure to Canada's highly prospective Athabasca Basin and Paladin's existing Michelin asset in Newfoundland and Labrador, with exploration upside across all properties. The combined uranium resource represents one of the largest amongst pure play uranium companies
- During the three month period ended 31 March 2025, integration into Paladin of the Fission team that have been progressing the PLS Project has essentially been completed, with all key personnel retained and systems and processes now largely standardised. All Fission employees, including the CFO, VP Project Development and VP Exploration, agreed to continue with Paladin, and remain committed to progressing the PLS project and delivering exploration outcomes.

PLS Project

- In the March 2025 quarter, Paladin was granted an exemption from Canada's Non-Resident Ownership Policy for PLS by the Minister for Energy and Natural Resources of Canada. The exemption allows Paladin to maintain a 100% controlling interest in the PLS project throughout its commercial production. A similar exemption already applies to Paladin's Michelin Project
- The Environmental Impact Statement (**EIS**) assessment process is progressing well, with input from the Canadian Nuclear Safety Commission (**CNSC**). Paladin continues to work with the provincial regulators to finalise the environmental approval process
- Two Mutual Benefits Agreements (the **MBAs** or the **Agreements**) were signed in February 2025 with the Buffalo River Dene Nation (BRDN) and the Clearwater River Dene Nation (**CRDN**). These are the first two MBAs signed with Indigenous peoples associated with the PLS Project. These Agreements confirm the support and consent of these First Nations for the PLS Project's phases, from development through to decommissioning and reclamation. The Company will work under each Agreement with BRDN and CRDN to ensure the development of PLS delivers shared economic and social benefits to these First Nations and other Indigenous Nations
- The winter drilling program at PLS has progressed, and early results are being assessed to inform and guide the final stages of the Company's current drilling program as well as activities planned for the summer period in FY2026
- The Company continues to monitor its resource utilisation and impact during the program of exploration work being undertaken.

Michelin Project

- In the March 2025 quarter, the winter drilling program at the Michelin Project was conducted within a reduced radius from the Michelin deposit as part of a strategy to enhance the future operational potential of the Project by locating mineralisation areas within a reasonable distance of each other. Results from this program will be used as the basis for planning the summer drilling program
- Paladin continues to engage with the local communities, including providing updates on the project progress.

Paladin Australia

Paladin has advanced exploration projects in both Queensland and Western Australia.

Area of Interest	Ownership	Claims	Hectares	Stage	Carrying Value (US$'000)
Australia – Valhalla/Skal	100%	2	8,959	Prospecting	39,931
Australia – Isa North	100%	2	2,835	Prospecting	8,586
Australia – Carley Bore	100%	2	6,346	Prospecting	8,033
Australia – Manyingee	100%	3	1,307	Prospecting	7,866
Australia – Fusion	100%	2	2,219	Prospecting	542

Mount Isa Project

- The Mount Isa Project, which is wholly owned by Paladin, is a large, advanced exploration Project located 40km north of Mount Isa and consists of six mineral development licenses.

Manyingee Project

- The Manyingee Project is wholly owned by Paladin and is located in north-west Western Australia, 85km inland from the town of Onslow. The Project comprises three mining leases covering 1,307 hectares. Previous field trials demonstrated that the Manyingee sandstone-hosted uranium deposit is amenable to extraction by in-situ recovery.

Carley Bore

- Carley Bore is wholly owned by Paladin and is located 100km south of Manyingee in Western Australia. Carley Bore consists of two contiguous exploration licenses with granted retention status. Potential exists for extensions to the mineralisation to the north and south of the existing deposit.

Corporate Activity

Corporate and Liquidity

- As at 31 March 2025, Paladin held cash and cash equivalents of US$117.3M (excluding restricted cash of US$4.4M) and US$10.5M in short term investments, which are deposits held for a period greater than three months
- The Company's total unrestricted cash and short-term investments balance of US$127.8M decreased by US$38M from the previous quarter with the main difference between quarters being an advanced payment received from a customer in December 2024 (U$28.7M) for a sale recognised during the March quarter. The Company's sales volumes and revenues can vary significantly on a quarterly basis due to the timing of shipping and logistics of customer deliveries and quarterly results do not necessarily represent annual results for sales, revenue and cashflows
- During the March 2025 quarter, Paladin made the first repayment (US$6.7M) of the US$100M Term Facility
- The Company also holds a US$50M revolving credit facility, which was undrawn as at 31 March 2025.

Sustainability

- The publication of Paladin's 2024 Sustainability Report on 28 October 2024 and Fission's Sustainability Report on 5 November 2024 underscores Paladin's commitment to environmental, social, and governance best practices. These reports reflect Paladin's commitment to operating in a socially and environmentally responsible manner while delivering long-term value for our stakeholders
- Paladin recorded no major safety or environmental incidents during the nine months ended 31 March 2025. The Total Recordable Injury Frequency Rate (TRIFR) for Paladin is 3.3 per million hours worked on a 12-month basis
- Paladin is progressing its climate risk and resilience program, with a strong focus on selecting appropriate climate scenarios and undertaking detailed scenario analysis to assess potential physical and transitional climate risks. This forms a critical foundation for our broader climate strategy and supports our readiness to report against the Australian Sustainability Reporting Standards (**AASB S2**) from FY2026. In parallel, we are advancing complementary workstreams, including gap analysis, emissions target setting, and development of a Climate Transition Action Plan, to ensure we build a robust and integrated climate response across the business. The Company's efforts are being supported and enhanced by leading international consulting firms with specialist expertise in this field.

Selected Annual Information

The tables below present key financial and operational metrics for Paladin Energy Ltd for the years ended 30 June 2024, 30 June 2023, and 30 June 2022. These figures provide an overview of the Company's annual performance and are prepared in accordance with the relevant accounting policies. These figures are intended to provide a summary overview and should be considered in conjunction with the detailed financial statements and accompanying notes for a complete understanding of Paladin's financial performance and position. The figures exclude Fission results as the acquisition was only completed in December 2024:

Earnings	Year Ended 30 June		
	2024 US$'000	2023 US$'000	2022 US$'000
Revenue	-	-	4,700
Cost of Sales	-	-	(4,693)
Gross Profit	**-**	**-**	**7**
Profit/(Loss) after tax	**59,998**	**(27,058)**	**(43,939)**
Profit/(Loss) attributable to owners of the parent	**53,628**	**(10,572)**	**(26,743)**
Profit/(Loss) per share (US cents)	17.9	(4.0)	(1.0)
Diluted Profit/(Loss) per share (US cents)	17.9	(4.0)	(1.0)
Distributions or Cash Dividends Declared	-	-	-

In March 2024, the LHM restarted commercial production after being placed in Care and Maintenance in 2018 due to sustained low uranium prices. Although production recommenced in March 2024, no U_3O_8 had been delivered to customers as at 30 June 2024 and therefore no revenue was recognised. Deliveries to customers commenced during the nine-month period ended 31 March 2025.

Paladin has a geographically diverse contract portfolio, with twelve uranium sales agreements executed with top-tier counterparties in North America, Europe and Asia. These agreements range in type and duration and provide base-escalated, fixed-price and market-related pricing mechanisms. Base-escalated agreements are typically linked to a US inflation price escalator.

Profit after tax from continuing operations increased in the year ended 30 June 2024 compared to prior periods and includes a reversal of an impairment charge of the existing LHM ore stockpiles (previously recognised in the financial year ended 30 June 2016) as a result of changed economic circumstances taking into account the LHM Restart Project's progress, the negotiation of key contracts and the improvement in the uranium market prices. The reversal resulted in a gain of US$92.2M.

The impairment reversal was offset by the following increases in expenses and decreases in other income:

- Interest income decreased from US$4.5M in June 2023 to US$2.3M in June 2024 due to cash balances reducing from US$126.6M in June 2023 to US$48.9M in June 2024
- A significant portion of the LHM depreciation and amortisation are based on units of production per the accounting policies with depreciation increasing from US$2.7M in June 2023 to US$6.3M in June 2024 due to the restart of production at LHM in March 2024
- A Syndicated Debt Facility was entered into in January 2024 resulting in a finance cost of US$1.1M in June 2024 compared to US$Nil in June 2023

- A foreign exchange loss of US$1.9M in June 2024 compared to a foreign exchange gain of US$0.6M in June 2023 which is predominantly due to the foreign exchange translation of the environmental rehabilitation provision in Namibia whereby the Namibian dollar appreciated by 3% against the USD. This loss was slightly offset by the bank accounts that are denominated in Australian Dollars ("AUD") but reporting in USD where the AUD depreciated by 1% against the USD.

No dividends were declared or paid during the years ended 30 June 2024, 30 June 2023, and 30 June 2022.

KEY STATEMENT OF FINANCIAL POSITION TOTALS

Financial Position	Year Ended 30 June		
	2024 US$'000	2023 US$'000	2022 US$'000
Unrestricted Cash and Cash Equivalents	48,858	126,636	177,066
Total Assets	621,782	473,047	480,994
Total Non-Current Financial Liabilities	174,378	128,379	119,981
Total Liabilities	223,967	137,963	122,582

CHANGES IN CASH AND CASH EQUIVALENTS

Cash Flows	Year Ended 30 June		
	2024 US$'000	2023 US$'000	2022 US$'000
Cash flows from Operating Activities	(48,116)	(9,375)	(6,794)
Cash flows from Investing Activities	(94,648)	(35,794)	11,959
Cash flows from Financing Activities	65,917	85	157,396
Net Increase/(Decrease) in Cash and Cash Equivalents	**(76,847)**	**(45,084)**	**162,561**

The Group had unrestricted cash and cash equivalents at 30 June 2024 of US$48.9M. Unrestricted cash and cash equivalents decreased by US$76.8M during the year ended 30 June 2024 comprising of the following cash flows:

Inflows:

- Syndicated Debt Facility – US$70.0M received
- Interest received and other income – US$2.4M received
- Sale of investments – US$1.9M received from the sale of shares in Lotus Resources

Outflows:

- LHM Restart Project costs – US$79.2M for the LHM Restart Project into Property Plant and Equipment
- LHM operations expenditure – US$34.5M for operational expenditure
- Corporate and administration expenditure – US$15.0M for corporate and staff costs
- LHM mine development costs – US$9.2M capitalised as pre-production costs
- Exploration expenditure – US$5.9M reflecting a summer and winter drilling campaign in Canada and to meet tenement commitments for exploration projects
- Transaction costs and interest expense related to borrowings – US$4.1M transaction costs and US$1.1M interest expense on the US$150M Syndicated Debt Facility

- Property, plant and equipment – US$2.2M to acquire new property, plant and equipment outside the LHM Restart Project
- Effect of movement in exchange rates on cash held – US$0.9M cash decrease predominantly due to the translation of Australian dollars held

The net outflow increased from US$45.1M for the year ended 30 June 2023, to US$76.8M for the year ended 30 June 2024, mainly due to increased expenditure on the LHM Restart Project, and the commencement of production. These items were partially offset by proceeds from the Syndicated Debt Facility of US$70.0M. Net cash inflows for 30 June 2022 included US$156.6M of net proceeds from the issue of shares, reflected in the comparatively higher cash flows from financing activities.

Total Assets

The Group had total assets at 30 June 2024 of US$621.8M. Total assets increased by US$148.7M during the year mainly due to an increase in Inventories from US$5.6M at 30 June 2023, to US$125.3M at 30 June 2024, driven by the reversal of an impairment charge relating to the LHM ore stockpiles of US$92.2M and capitalised production costs. Further contributing to the increase was US$76.6M of additions to property, plant and equipment and mine development costs, driven by the LHM Restart Project, and US$70.0M of receipts from the Syndicated Debt Facility. These increases were partially offset by net cash outflows of US$76.8M.

Total Non-Current Financial Liabilities

The Group had total non-current financial liabilities at 30 June 2024 of US$174.4M. Total non-current financial liabilities increased by US$46.0M during the year mainly due to non-current borrowings from the Syndicated Debt Facility, net of transaction costs, of US$35.0M, and an increase in non-current shareholder loans of US$7.6M.

Total Liabilities

The Group had total liabilities at 30 June 2024 of US$224.0M. Total liabilities increased by US$86.0M during the year mainly due to borrowings from the Syndicated Debt Facility, net of transaction costs, of US$68.0M, and an increase in non-current shareholder loans of US$7.6M.

Segment Information

The Group has revised its operating segments to be Namibia, Canada and Australia on the basis of the nature of the activity and geographical location and different regulatory environments:

- Namibia - this segment is focused on the production and sale of uranium from the LHM located in Namibia
- Canada - this segment is focused on developing exploration and evaluation projects in Canada
- Australia - this segment is focused on developing exploration and evaluation projects in Australia

Corporate – is not an operating segment. This reporting segment includes unallocated expenses of the Group, such as sales and marketing, corporate and administration functions. Corporate charges comprise non-segmental expenses such as corporate office expenses. A proportion of the corporate charges are allocated to Namibia, Australia and Canada segments with the balance remaining in Corporate.

Segments	Year Ended 30 June		
	2024 US$'000	2023 US$'000	2022 US$'000
Namibia			
Segment Total Revenue	-	-	4,700
Segment Profit/(Loss) after tax	73,128	(10,785)	(25,109)
Segment Total Assets	481,662	256,929	203,651
Canada			
Segment Total Revenue	-	-	-
Segment Profit/(Loss) after tax	3	(405)	-
Segment Total Assets	38,228	32,460	31,004
Australia			
Segment Total Revenue	-	-	-
Segment Profit/(Loss) after tax	(138)	(36)	-
Segment Total Assets	62,984	63,170	63,597
Corporate			
Segment Total Revenue	-	-	-
Segment Profit/(Loss) after tax	(12,995)	(15,832)	(10,651)
Segment Total Assets	38,908	120,487	182,742

- The Namibian segment profit after tax in 2024 shows a turnaround from the loss in 2023, mainly as a result of the reversal of the FY2016 inventory impairment of US$92.2M (2023: US$Nil). Total assets increased significantly from the prior periods as a result of the continuous spend on the LHM Restart Project, concluding in March 2024
- The increase in total assets for the Canadian segment for the year ended 30 June 2024 reflects continuous capitalised exploration and evaluation expenditure incurred in relation to the Michelin Project
- The decrease in the Corporate segment total assets is a result of the funding of operations in other segments.

Selected Quarterly Financial Information

The following tables provide a summary of key financial and operational metrics for Paladin Energy Ltd for the eight most recently completed quarters. These figures should be read in conjunction with the Audited Annual Reports for the years ended 30 June 2024 and 30 June 2023, the unaudited half-year reports for the periods ended 31 December 2024 and 31 December 2023, as well as other accompanying disclosure documents. The information has been prepared in accordance with International Financial Reporting Standards (**IFRS**), with comparatives maintained for prior quarters.

	Three months ended			
	31 March 2025 US$'000	**31 December 2024 US$'000**	**30 September 2024 US$'000**	**30 June 2024 US$'000**
Revenue	60,974	33,454	43,802	-
Profit/(Loss) after tax	(38,055)	(4,740)	(10,397)	(13,513)
Profit/(Loss) attributable to owners of the parent	(25,495)	369	(4,943)	(7,887)
Basic Profit/(Loss) per share (US cents)	(6.39)	0.1	(1.7)	(2.6)
Diluted Profit/(Loss) per share (US cents)	(6.39)	0.1	(1.7)	(2.6)
Dividends (US Cents per share)	-	-	-	-
Cash flows from operating activities	(17,732)	43,349	(12,425)	(43,736)

	Three months ended			
	31 March 2024 US$'000	**31 December 2023 US$'000**	**30 September 2023 US$'000**	**30 June 2023 US$'000**
Revenue	-	-	-	-
Profit/(Loss) after tax	(4,997)	87,285	(8,777)	(9,497)
Profit/(Loss) attributable to owners of the parent	107	66,508	(5,100)	(5,163)
Basic Profit/(Loss) per share (US cents)	0.0	22.3	(1.7)	(1.7)
Diluted Profit/(Loss) per share (US cents)	0.0	22.2	(1.7)	(1.7)
Dividends (US Cents per share)	-	-	-	-
Cash flows from operating activities	639	(5,587)	(3,812)	(3,019)

- Profit after tax from continuing operations for the period 31 December 2023 includes a reversal of an impairment charge of the existing LHM ore stockpiles (previously recognised in the financial year ended 30 June 2016) as a result of changed economic circumstances taking into account the LHM Restart Project's progress, the negotiation of key contracts and the improvement in the uranium market prices. The reversal resulted in a gain of US$92.2M.
- In March 2024, the LHM restarted commercial production after being placed in Care and Maintenance in 2018 due to sustained low uranium prices. Although commercial production recommenced in March 2024, no U_3O_8 had been delivered to customers as at 30 June 2024 and therefore no revenue was recognised. Deliveries to customers commenced during the quarter ended 30 September 2024

- Higher recognised sales revenue in the March 2025 quarter is due to the timing of deliveries under the Company's contract portfolio, and relate to the sale of 872,435lb U_3O_8, a 74% increase over the December 2024 quarter
- Quarterly sales and Average Realised Prices (non-IFRS – refer page 36) are dependent on the mix of contract pricing mechanisms and the timing of individual deliveries based on customer requirements from quarter to quarter
- The Company's sales volumes and revenues can vary significantly on a quarterly basis due to the timing of shipping and logistics of customer deliveries and quarterly results do not necessarily represent annual results for sales, revenue and cashflows
- At 31 March 2025, the Group conducted a review of its inventory items in accordance with AASB 102 / IAS 2 Inventories. The assessment considered the production to date, the carrying value of the current inventory, the grade performance of the ore stockpile to date compared to expected performance, the accessibility of parts of the stockpile and consideration of the delivery into uranium sales agreements and the expected contract and market prices for U_3O_8. Following this review, an impairment charge of $19.9M was recognised in the profit or loss to reflect a decline in the net realisable value of the ore stockpile and finished product
- The increased loss in the March 2025 quarter includes a foreign exchange loss of US$2.4M, compared to a gain of US$5.5M in the December 2024 quarter, mainly due to the depreciation of the Namibian dollar against the US dollar. The result also reflects a significantly higher drawdown of inventory balances compared to the prior periods, reflected in higher sales volume compared to production volume for the quarter
- The significant increase in profit after tax for the December 2023 quarter is due to the reversal of an impairment of inventory (US$92.2M) initially recorded in 2016 prior to the LHM going into Care and Maintenance in 2018.
- Cash flows from operations for the quarter ended 31 March 2025 decreased by US$38M from the previous quarter with the main difference being an advanced payment received from a customer in December 2024 (U$28.7M) for a sale recognised during the March 2025 quarter. Cash flows from operations for the quarter ended 31 March 2024 reflect the reallocation of costs from operations into inventory on the commencement of ore feed.

Liquidity and Capital Resources

Liquidity and Capital Management

The Group's objectives when managing liquidity and capital are to ensure adequate cash resources are available to meet its commitments, to provide optimal returns to shareholders and benefits for other stakeholders by executing our strategy and pursuing opportunities, and to maintain an efficient capital structure to reduce the cost of capital.

The Group utilises a combination of debt and equity to provide the cash resources required and management reviews the capital structure from time to time as appropriate.

At 31 March 2025, the Group held unrestricted cash and short-term investments of US$127.8M with undrawn debt facilities of US$50M. The Group's liquidity management policies govern the management of cash and short-term investments which are held with financial institutions that are a party to our debt facilities, or banking counterparties with investment grade long-term credit ratings. Future capital requirements may also be met by entering into new debt facilities or raising additional capital through debt or equity financings.

The Group forecasts and manages the production to sales cycle in order to maximise working capital efficiencies throughout this cycle. In addition, the Group uses short term uranium product loan facilities and location exchanges (product swaps) with various counterparties in order to meet commitments to customers and to minimise costs, whilst maximising earnings and cashflows.

The LHM is supported by a geographically diverse world-class contract book, with uranium sales agreements secured with top-tier counterparties in North America, Europe and Asia. The Group will continue to layer its contract book, ensuring it has the right balance of risk protection and pricing upside for its shareholders, with leverage to strengthening uranium price fundamentals.

The Company's sales volumes and revenues can vary significantly on a quarterly basis due to the timing of shipping and logistics of customer deliveries and quarterly results do not necessarily represent annual results for sales, revenue and cashflows.

The Group finance function is responsible for the Group's capital management, including management of long-term debt and cash as part of the capital structure. This involves the use of corporate forecasting models enabling analysis of the Group's financial position including cashflow forecasts to determine the forecast liquidity position, maintain appropriate liquidity levels and meet future capital management requirements. To maintain sufficient funding for operational expenditure and growth activities, a range of pricing and market assumptions are modelled to ensure flexibility in determining the Group's optimal future capital structure. The Group monitors capital on the basis of the level of return and the level of net cash/debt.

The Group has the ability to fund its forecast FY2025 financial commitments through its forecast operating cashflows, undrawn revolving credit facility and existing cash balances.

	31 March 2025 US$'000	30 June 2024 US$'000
Debt (face value plus accrued interest)[1]	93,250	70,061
Less cash and cash equivalents	(117,331)	(48,858)
Net Debt/(Cash) (non IFRS – refer page 38)	**(24,081)**	**21,203**
Total equity	824,647	397,815
Total Capital	**848,728**	**376,612**

1. Excludes LHU's loans from CNNC Overseas Limited (CNOL) that were assigned by Paladin Finance (Pty) Ltd (PFPL) to CNOL and form part of CNOL's 25% interest in LHU as the Group views these as shareholder loans to LHU

Syndicated Debt Facility

The Group executed a US$150 million Syndicated Debt Facility on 24 January 2024 with two lending financial institutions, Nedbank Limited, acting through its Corporate and Investment Banking division and Macquarie Bank Limited, with Nedbank CIB acting as lead arranger and bookrunner. The Syndicated Debt Facility is secured by the shares in the holding company of Langer Heinrich Uranium (Pty) Ltd (LHU) and is comprised of:

- A US$100M amortising term loan (**Term Facility**) with a 5-year term; and
- A US$50M revolving credit facility (**Revolving Facility**) with a 3-year term (with two options to extend by 12 months).

The US$100M Term Facility has been fully drawn. The Term Facility is repayable on a quarterly basis, with the first repayment of principal of US$6.75M made on 31 March 2025 (the outstanding principal on the Term Facility at 31 March 2025 was US$93.25M). The US$50M Revolving Facility was undrawn at 31 March 2025.

The Debt Facility was entered into to provide Paladin with capital flexibility as the Company recommences operations at the LHM and progresses its growth options, including progressing the Michelin exploration project in Canada.

Loan Covenants

Under the terms of the Syndicated Debt Facility, which has a carrying amount of US$93M (excluding accrued interest and capitalisation of transaction costs) (March 2024: US$25M), the Group is required to comply with the following financial covenants at the end of each quarter:

Financial Condition	Required Ratio/Amount	As at 31 March 2025
Debt service cover ratio	>1.3:1	n/a[1]
Loan life cover ratio	>1.5:1	Complied
Reserve trail ratio	>30%	Complied
Minimum cash balance	US$15M	Complied

1. Not required to be measured at 31 March 2025 under the terms of the Syndicated Debt Facility

There are no indications that the Group may have difficulties complying with the covenants when they will be next tested for the period ended 30 June 2025.

Dividends

Payment of any future dividends will be at the discretion of Paladin's Board of Directors after taking into account many factors, including Paladin's operating results, financial condition and current and anticipated cash needs. Paladin has not historically paid dividends and the payment of dividends in the future is not guaranteed.

Outstanding Share Information

As at 31 March 2025. Paladin had 398,959,417 fully paid ordinary shares issued. The following table sets out the fully paid ordinary shares and those issuable under the Group Employee Performance Share Rights Plan as at 31 March 2025:

As at 31 March 2025	Number
Ordinary shares	398,959,417
Issuable Performance Rights	1,546,418
Issuable Share Appreciation Rights	261,250
Total	**400,767,085**

No shares were issued between 31 March 2025 and the date of this report, other than the conversion of 1,250 Share Appreciation Rights to 872 shares on 9 April 2025.

Critical Accounting Estimates

The Group's accounting policies are described in its consolidated financial statements for the year ended 30 June 2024 and all accounting policies adopted for the three and nine month periods ended 31 March 2025 are consistent with the 2024 and 2023 financial year ends. The preparation of the consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Management considers the following estimates to be the most critical in understanding the judgements and estimates that are involved in the preparation of the Group's consolidated financial statements and the uncertainties that could impact the results of operations, financial condition and cash flows:

- Net realisable value of inventories – Namibia segment
- Assessment of carrying values of property, plant and equipment, mine development costs, exploration and evaluation expenditure and intangible assets associated with the LHM – Namibia segment
- Estimated fair value of certain financial liabilities – Namibia and Corporate segments
- Environmental rehabilitation provision – Namibia segment
- Useful lives of property, plant and equipment – Namibia segment
- Useful lives of mine development costs and intangible assets associated with the LHM – Namibia segment

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events such as climate change related matters that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. Paladin recognises the increasing global impacts of climate change, however the financial impact, and any other impacts, of climate change on its operations are currently expected to be minimal.

Net Realisable Value of Inventories

The Group reviews the carrying value of inventories regularly to ensure that their cost does not exceed net realisable value. In determining net realisable value various factors are taken into account, including sales prices and costs to complete inventories to their final form.

During 2016, the carrying value of ore stockpiles held at the LHM was reduced to net realisable value resulting in a write down of US$168.9M for the year, recognised in other expenses. Subsequent to 30 June 2016, approximately 45% of the original stockpile previously impaired was consumed prior to the LHM going into Care and Maintenance leaving a residual of 6.3M tonnes. The net realisable value of the ore stockpiles is dependent on a number of key factors including: uranium price, future processing costs, grade and recovery rates. At 31 December 2023, Management considered the impairment on the remaining medium grade stockpile should be reversed in view of the changed economic circumstances taking into account the progress of the LHM Restart Project, the negotiation of key contracts and the improvement in the uranium market prices. Accordingly, the previously recognised impairment on the ore stockpile of 6.3M tonnes valued at US$92.1M was reversed. Subsequent to that date the LHM Restart Project was completed, and first commercial production achieved in the last quarter of FY2024, resulting in a decrease in ore stockpile and the recognition of work-in-progress and finished goods.

At 31 March 2025, the Group conducted a review of its inventory items in accordance with IAS 2 Inventories. The assessment considered the production to date, the carrying value of the current inventory, the grade performance of the ore stockpile to date compared to expected performance, the accessibility of parts of the stockpile and consideration of the delivery into uranium sales agreements and the expected contract and market prices for U_3O_8. Following this review, an impairment charge of $19.9M was recognised in the profit or loss to reflect a decline in the net realisable value of the ore stockpile and finished product.

Assessment of carrying values of property, plant and equipment, mine development costs, exploration and evaluation expenditure and intangible assets associated with the LHM

Impairment of Property, Plant and Equipment; Mine Development and Intangibles

Property, plant and equipment; mine development and intangibles are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

The Group conducts an internal review of asset values at each reporting date, which is used as a source of information to assess for any indicators of impairment. Factors, such as changes in uranium prices, production performance and mining and processing costs are monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating unit or "CGU").

The future recoverability of the property, plant and equipment, mine development and intangibles is dependent on a number of key factors including: uranium price, capex, life of mine, restart date, discount rates used in determining the estimated discounted cash flows, foreign exchanges rates, tax rates, the level of proved and probable reserves and measured, indicated and inferred mineral resources, future technological changes which could impact the cost of production and future legal changes, including changes to environmental restoration obligations.

Paladin did not identify any impairment indicators for the Langer Heinrich Mine CGU.

Exploration and Evaluation Expenditure

Capitalised exploration and evaluation expenditure for an area of interest may be written down to its recoverable amount if the area of interest's carrying amount is greater than its estimated recoverable amount. Since 30 June 2024, there have been no events or changes in circumstances to indicate that the carrying value may not be recoverable.

Estimated fair value of certain financial liabilities

Loans and borrowings are initially recognised at fair value, net of transaction costs incurred. Loans and borrowings are subsequently measured at amortised cost. Any difference between the fair value (net of transaction costs) and the redemption amount is recognised in the Consolidated Income Statement over the period of the borrowings using the effective interest method.

For the majority of any external borrowings, fair values are based on a discounted cash flow basis using quoted market prices (Level 1) or observable market data (Level 2) inputs in the fair value hierarchy.

The fair values of shareholder loans are based on discounted cash flows using a rate that the Group considers representative of a secured borrowing rate available in the market. These are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including Paladin's own credit risk.

Environmental rehabilitation provision associated with the LHM

The value of this provision represents the discounted value of the present obligation to rehabilitate the mine and to restore, dismantle and close the mine. The discounted value reflects a combination of management's assessment of the cost of performing the work required, the timing of the cash flows and the discount rate. A change in any, or a combination, of the three key assumptions (estimated cash flows, discount rates or inflation rates), used to determine the provision could have a material impact on the carrying value of the provision.

Useful lives of property, plant and equipment

The estimates of useful lives, residual values and depreciation method are reviewed at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.

Useful lives of mine development costs and intangible assets associated with the LHM

The Group uses the concept of a life of mine as an accounting value to determine such things as depreciation rates, useful lives and the appropriate period to discount mine closure provisions. In determining life of mine, the proved and probable reserves measured in accordance with the 2012 edition of the Joint Ore Reserves Code (**JORC**)[2] specific to a mine are taken into account which by their very nature require judgements, estimates and assumptions.

[2] The resources and reserves in Namibia comply with the JORC code, an acceptable foreign code under NI 43-101..

Financial Instruments

Fair value hierarchy

To provide an indication of the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

- Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Recognition and measurement – Interest bearing loans and borrowings

Loans and borrowings are initially recognised at fair value, net of transaction costs incurred. Loans and borrowings are subsequently measured at amortised cost. Any difference between the fair value (net of transaction costs) and the redemption amount is recognised in the Consolidated Income Statement over the period of the borrowings using the effective interest method.

For the majority of any external borrowings, fair values are based on a discounted cash flow basis using quoted market prices (Level 1) or observable market data (Level 2) inputs in the fair value hierarchy.

The fair values of shareholder loans are based on discounted cash flows using a rate that the Company considered representative of an appropriate borrowing rate available in the market. These are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including Paladin's own credit risk.

Financial Risk Factors

The Group's management of financial risk is aimed at ensuring net cash flows are sufficient to:

- Meet all its financial commitments; and
- Maintain the capacity to fund corporate growth activities

The Group monitors its forecast financial position and manages funds on a group basis regularly. Market, liquidity and credit risk (including foreign exchange, commodity price and interest rate risk) arise in the normal course of the Group's business. These risks are managed under Board approved directives which underpin practices and processes. The Group's principal financial instruments comprise interest bearing debt, cash and short-term deposits and available for sale financial assets. Other financial instruments include trade receivables and trade payables, which arise directly from operations.

Market Risk

Foreign Exchange Risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the relevant Group company.

The Group's borrowings and deposits are largely denominated in both US, Canadian and Australian dollars. Currently there are no foreign exchange hedge programmes in place. However, the Group finance function manages the purchase of foreign currency to meet operational requirements.

Interest Rate Risk

Interest rate risk is the risk that the Group's financial position will be adversely affected by movements in interest rates that will increase the cost of floating rate debt, create opportunity losses on fixed rate borrowings in a falling interest rate environment or reduce interest income.

The interest rate risk on cash balances is not considered material. Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

The Group is exposed to interest rate risk on the Syndicated Debt Facility and shareholder loans from changes in the variable component interest rates on its outstanding borrowings, and from the impact that changes in interest rates could have on future cash flows of the Group. The debt and bank covenants are monitored and re-forecast in order to monitor interest rate risk.

The Shareholder Loans of US$104M represent the principal and accrued interest of the 25% of intercompany shareholder loans owing by Langer Heinrich Uranium (Pty) Ltd (**LHU**) to Paladin Finance Pty Ltd ((**PFPL**) that were assigned to CNNC Overseas Limited (**CNOL**) upon the sale of a 25% interest in Langer Heinrich Mauritius Holdings Limited (**LHMHL**) to CNOL in 2014. These loans maintain the same conditions as the intercompany shareholder loans and have a range of fixed and floating rates. During the previous two years, certain shareholder loans were entered into, or extended with revised conditions. The undrawn amount of the CNOL facility is US$89,000.

Under the Shareholders' Agreement between CNOL, PFPL and LHU, each shareholder has agreed not to demand repayment of the loans without the prior written consent of the other shareholder. As neither CNOL nor PFPL can demand repayment, the repayment of the loans can be deferred. Repayment is dependent on LHU generating sufficient free cash flows to repay the loans. These loans have not been guaranteed by Paladin and are unsecured. Interest on shareholder loans is also deferred until there are sufficient cash flows.

In addition to the Shareholder Loans from CNOL, as at 31 March 2025 a total of US$538.9M in Intercompany Loans (principal and accrued interest) has been provided to LHU from Paladin and PFPL. These Intercompany Loans consist of US$297.7M in Shareholder Loans and US$241.2M in Priority Loans. Priority Loans are loans made from Paladin and PFPL to LHU on a 100% basis and will be repaid in priority to other Shareholder Loans.

These loans are made up as follows:

	31 March 2025	
	Paladin US$'000	CNOL US$'000
Shareholder loans		
Principal and interest outstanding	343,038	120,562
Fair value adjustment	(45,301)	(15,914)
Carrying value of Shareholder loans	**297,737**	**104,648**
Priority loans		
Principal and interest outstanding	369,999	-
Fair value adjustment	(128,789)	-
Carrying value of Priority loans	**241,210**	-
Consolidation eliminations	(538,947)	-
Shareholder loans	**-**	**104,648**

On consolidation, PFPL and Paladin's share of the LHU intercompany loans (including Priority Loans) are eliminated against the intercompany loans receivable recorded in Paladin and PFPL and therefore, they do not appear on Paladin's Condensed Consolidated Statement of Financial Position. As a result of the consolidation of 100% of LHU's assets and liabilities, LHU's shareholder loan liability to CNOL is recognised on the Condensed Consolidated Statement of Financial Position.

All other financial assets and liabilities in the form of receivables, investments in shares, payables and provisions, are non-interest bearing.

The Group currently does not engage in any hedging or derivative transactions to manage interest rate risk.

Liquidity Risk

The liquidity position of the Group is managed to ensure sufficient liquid funds are available to meet the Group's financial commitments in a timely and cost-effective manner. The Group finance function continually reviews the Group's liquidity position including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels. Sensitivity analysis is conducted on a range of pricing and market assumptions to ensure the Group has the ability to meet commitments. This enables the Group to manage cash flows on a long-term basis and provides the flexibility to pursue a range of funding alternatives if necessary.

Credit Risk

Credit risk arises from cash and cash equivalents, contractual cash flows from other receivables carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to trade receivables. Credit risk is the risk that a contracting entity will not complete its obligation under a financial instrument that will result in a financial loss to the Group. The carrying amount of financial assets represents the maximum credit exposure. The Group's receivables are due from recognised, creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis.

While cash and cash equivalents are also subject to the impairment requirements of IFRS9 the identified impairment loss is expected to be immaterial.

Commodity Price Risk

Uranium is not traded in any significant volume on global commodity exchanges. As of 31 March 2025, Paladin holds twelve uranium sales agreements with global customers in its world-class contract book, with 22.3Mlb U_3O_8 contracted to 2030.[3]

Contracted selling prices are determined by pricing mechanisms that reference common industry published prices for spot and term uranium contracts and may be subject to escalating floor prices and ceiling prices. These include base-escalated, fixed-price, and market-related pricing mechanisms.

[3] Based on LHM contract book as at 31 March 2025. Based on nominal contract volumes from 1 April 2025 to 31 December 2030 under executed uranium sales agreements. Subject to customary conditions precedent contained in uranium sales agreements, including the requirement to receive Namibian Government and other regulatory approvals.

Other Risks and Uncertainties

Business Risks

Material business risks are those which can materially impact the Group's ability to achieve its strategy and business plans. They have the capacity to affect all, or a significant part, of the Group, and they tend to have significant impacts.

Paladin recognises that the classification and effective management of risk, including prudent, informed risk taking is an essential part of Paladin's aim of creating long term shareholder value. Paladin's Risk Management Policy aims to integrate risk management into Paladin's strategy and business. The Risk Management Policy outlines the minimum mandatory requirements for the management of risks that can materially impact Paladin's ability to achieve its strategy and business plans.

Health and Safety

Uranium exploration, development, mining and processing is inherently a high-risk environment. Additionally, where Paladin has an interest located in a developing country, embedding systems for managing occupational health and safety risks, and maintaining and ensuring compliance with these systems may present challenges for Paladin.

If there is a failure to comply with the necessary occupational health and safety requirements, this could result in injury, safety claims, fines, penalties and compensation for damages against Paladin, as well as reputational damage resulting in losses and delays, which may adversely affect profitability.

Production, Operations and Supply Chain

Paladin's operations are subject to the operating risks associated with the production of uranium, including the performance of processing facilities against design specification, the achievement of agreed product specification, and the related risks associated with the storage and transportation of raw materials, finished product and waste.

The Group's operations depend on suppliers for raw materials, services, equipment and infrastructure for its exploration and development activities in addition to its operational activities, and on logistics providers to ensure products are delivered. A shortage or significant increase in the cost of inputs required to undertake these activities could have a material impact on the Group's ability to undertake these activities. Additionally, the Group has entered into agreements with suppliers in different jurisdictions including Australia, Canada and Namibia. As a result, the Group is exposed to foreign currency fluctuations.

Failure to effectively maintain and develop relationships with local communities and stakeholders could result in adverse outcomes for Paladin's operations and production.

Lack of availability and affordability of infrastructure, suppliers and reliable transportation facilities to deliver products to market could impact production, sales and development of the Group's projects.

Any or all of these events could have an adverse impact on the Group's operations and its ability to operate projects profitably, thereby impacting cashflows and financial performance.

Demand, Product Pricing and Uranium Sales Agreements

The price of, and demand for, uranium remains sensitive to several external macroeconomic and political factors beyond the Group's control. There is the potential for events to occur in the future that may negatively impact the attractiveness of nuclear energy and therefore the demand for, and the price of, uranium.

Nuclear energy is in direct competition with other more conventional sources of energy, including gas, coal and hydroelectricity and may be the subject of negative public opinion due to political, technological, and environmental factors. This may have a negative impact on the demand for, and the price of, uranium.

The uranium market is influenced by production levels and costs of production in major producing regions such as Russia and former Soviet republics, Canada, Africa and Australia.

Paladin enters into agreements and undertakings with third parties. If the Group is unable to satisfy the conditions, or third parties' default on their obligations under the agreements and undertakings, the Group may be adversely affected.

Any or all of these events could have an adverse impact on the Group's operations, financial performance and cashflow.

Environment, Climate Change and Natural Events

Paladin's operations may use hazardous materials and produce hazardous waste, which could have an adverse impact on people and on the environment. Failure to manage this risk appropriately may lead to loss of reputation, claims for damages, increased regulation and could also limit the Group's ability to access capital and talent. Increased regulations relating to greenhouse gas emissions could also adversely affect the cost of operations.

Failure to manage major events or natural catastrophes could result in a significant event or other long-term damage that could harm operations, employees, the communities in which it operates, access to logistics chains, critical goods and services, financial performance, and Paladin's licence to operate.

An increase in the frequency and severity of weather conditions or natural events such as fires, floods and longer term physical risks such as shifting climate patterns causing changes in temperatures and rainfall as a result of climate change may impact the Group's operations.

Capital Management and Liquidity

Uranium markets may be subject to volatility, and other factors including disruptions in the financial sector. Additionally, capital costs for exploration and development activities in addition to the Group's operational activities may increase. This may make it difficult to obtain adequate debt or equity financing on favourable terms or at all. Failure to obtain such financing on a timely basis might cause the postponement of exploration and development plans, forfeiture of rights in some or all of the Group's properties, or terminate some or all of its operations which in turn, may have a material adverse effect on the Group's overall financial position and performance, and thereby shareholder value.

Failure to maintain compliance with debt covenants could have an adverse effect on the Group's business, results of operations and its ability to maintain financial stability and liquidity.

The Group maintains insurance to protect against certain risks in amounts it considers reasonable. Any proceeds received from insurance may not cover all financial losses. Insurance held may not adequately cover all potential risks which may have a material adverse effect on the overall financial position of the Group.

Corporate Culture and Managing Diverse Talent

Behaviours that do not align with the Group's culture could expose Paladin to conduct risks including, but not limited to, delays in appropriately escalating regulatory and compliance issues, failure to resolve issues in a timely manner, and failure to deliver on product and service commitments.

Paladin may not have the ability to attract and retain skilled labour, and this may result in a loss of corporate knowledge and experience. Lower levels of engagement may lead to disconnected teams that lack diversity and operate in silos, and decision making based on factors other than performance may impact the Group's ability to attract and retain talent. This in turn may lead to significant shareholder value erosion and reputational damage.

Relationships with employees may be impacted by changes in labour relations, which may be introduced by, among others, employee groups, unions, and the relevant governmental authorities in jurisdictions where Paladin carries on business. Adverse changes in such legislation or in the relationship with the Group's employees may have a material adverse effect on the business, results of operations, and financial condition.

IT systems, Cybersecurity and Innovation

Cyber breaches can arise from malicious external or internal attacks, but also inadvertently through human error. Although the extent and frequency of cybersecurity threats remain in line with growth expectations, attacks have been observed to be more destructive in nature. The ongoing digitisation and transformation of operational technology environments, and the increasing use of AI to inform and automate decisions, amplifies the threat of loss of control systems or hijacking of autonomous functions.

Failure to keep pace with and leverage advances in technology and innovation, could result in reduced shareholder returns and impact the Group's licence to operate. Failure to adopt automation, electrification and digital systems could result in deteriorating performance across safety, productivity, and returns.

In a rapidly evolving market, failure to be innovative can expose the Group to several significant risks and challenges such as a loss of competitive advantage, disruptions in operations, reputational damage, ability to retain quality personnel, delays in operational activity and increases in capital or operating costs.

Political, Legal, Regulatory and Policy Matters

A serious breach in laws, regulations, policies, and obligations in relation to anti-corruption legislation or sanctions, human rights, labour or employment matters, anti-trust rules, or inappropriate business conduct, could result in serious harm to people and significant reputational and financial damage.

Paladin has tenements in Australia, Canada and an operating uranium mine in Namibia. These jurisdictions have different laws, regulations and legal matters to comply with. Future earnings, asset values and relative attractiveness of the Group's shares may be affected by changes in the law and government policy in these jurisdictions.

Paladin's activities are subject to extensive laws and regulations controlling not only the mining of and exploration for mineral properties, but also the possible effects of such activities upon the environment and upon interests of native, First Nations and/or Indigenous peoples. Future legislation, regulations, political changes or other disruptions may cause additional expense, capital expenditures, restrictions and delays in the development of the Group's assets, the extent of which cannot be predicted.

The costs of compliance with the above noted laws and regulations may increase the cost of exploring, drilling, developing, constructing, operating and mine closure costs.

The development of mines and related facilities is contingent upon government approvals that are complex and time consuming to obtain, and which, depending on the location of the project, may involve multiple government agencies. Any significant delays in obtaining or renewing such permits or licences in future may have a material impact on the Group.

Future Growth Opportunities

Paladin may be unable to identify or execute suitable growth opportunities, and a failure to do so could have an adverse impact to the shareholders and value of the Group.

Business acquisitions entail several inherent risks, including the effective integration of relevant asset or business, the realisation of synergies, significant one-time write-offs or re-structuring changes and unanticipated costs and liabilities, such that the expected benefits of an acquisition may not be realised.

Planned acquisitions may be impacted by material adverse issues whether identified or unidentified through a failure on the part of due diligence, liabilities for past acts, or omissions or liabilities of companies or businesses or properties acquired or disposed of which may be unforeseen or greater than anticipated.

Financial projections, estimates and assumptions supporting the business acquisitions may not be realised.

Large mining companies with substantial capabilities and greater financial and technical resources may provide significant and increased competition and Paladin may be unable to acquire an existing business or rights to exploit additional attractive mining properties on terms the Group considers acceptable.

Arrangements may be subject to the satisfaction of several conditions including regulatory approvals, and there can be no certainty that all conditions precedent to the arrangement will be satisfied. Non completion of an arrangement may result in significant losses including a decline in share price, future business and operations.

Paladin may enter into agreements and undertakings with third parties from time to time. If Paladin is unable to satisfy the conditions of these agreements and undertakings, or if the Group defaults on its obligations under these agreements and undertakings, its interest in their subject matter may be jeopardised. Further, if the third parties' default on their obligations under the agreements and undertakings, the Group may be adversely affected.

There is a risk of financial failure or default by a participant in any joint venture or arrangement to which Paladin is or may become a party, or the insolvency or managerial failure by any of the contractors used by the Group in any of its activities, or the insolvency or other managerial failure by any of the other service providers used by the Group for any activity.

Mineral Resources and Ore Reserves

Paladin's Mineral Resource and Ore Reserve estimates are prepared in accordance with reporting standards, but they are expressions of judgement from qualified professionals based on knowledge, experience, industry practice and resource modelling. As such, Mineral Resource and Ore Reserve estimates are necessarily imprecise and depend to some extent on interpretations. Consequently, the estimates may prove to be inaccurate and require adjustment or revision, affecting Paladin's development and mining plans. This in turn may affect the ability to sustain or increase levels of production in the longer term.

Paladin may experience delays and cost overruns if it is unable to access the land required for operations and exploration activities or is unable to enforce its legal rights. This may be as result of weather, environmental restraints, native title, licenses, permits or approvals, landholders' activities, or other factors.

Current capital and operating cost estimates and assumptions may differ from forecasts. An increase in these costs and estimates may impact the ability of the Group to undertake further exploration, development and mining plans.

These risks, individually or in combination, may have a significant impact on future shareholder returns, the benefits stakeholders receive and ultimately the sustainability of the Group.

Managing Our Risks to Create Long Term Shareholder Value

Risk Management

Risk management is fundamental to maximising the value of Paladin's business, informing its strategic direction and meeting the standards and expectations of stakeholders.

Paladin recognises that the classification and effective management of risk, including prudent, informed risk taking is an essential part of Paladin's aim of creating long term shareholder value. Paladin's Risk Management Policy aims to integrate risk management into Paladin's strategy and business. The Risk Management Policy outlines the minimum mandatory requirements for the management of risks that can materially impact Paladin's ability to achieve its strategy and business plans.

Paladin's Risk Management Framework supports and guides the processes by which risk is identified, assessed, managed, communicated and reported. It ensures that the risk management approach is holistic and coordinated and aligns with Australian Standard AS/NZS ISO 31000:2018. The aim is to ensure early identification of risk, and to have appropriate controls either in place, or identified, to ensure the Group's strategies and objectives remain viable. By adopting a culture of actively managing risk, Paladin has made a commitment to the development and deployment of risk management and strives to enhance its corporate governance and business management processes.

Risk Appetite

Risk appetite is the level of residual risk that Paladin is willing to accept in pursuit of its strategy, which is established across its business activities. The Board regularly considers and approves the risk appetite developed by Management. Understanding risk appetite across its strategic risks assists in decision-making across Paladin.

Material Business Risks

The effective management of Paladin's material business risks is routinely assessed by Management. The assessment process is informed by external and internal events that could have a potential impact on the organisation, as well as emerging themes across identified material risks.

An overview of these risks is regularly reviewed by the Audit & Risk Committee, which assists the Board in carrying out its role of overseeing risk management and assurance practices.

Contractual Obligations, Commitments & Off-Balance Sheet Arrangements

Contractual Obligations and Commitments

The Group has the ability to fund its forecast FY2025 financial commitments through its forecast operating cashflows, undrawn revolving credit facility and existing cash balances.

Tenement Commitments

To maintain current rights for tenure of exploration tenements, the Group is required to expend amounts in the form of tenement rent to the relevant governing authorities, and to meet certain annual exploration expenditure commitments. It is likely that variations to the terms of the current and future tenement holdings, the granting of new tenements, and changes at renewal or expiry, will change the expenditure commitments for the Group from time to time.

These include commitments relating to tenement lease rentals and the minimum expenditure requirements of the Namibian, Canadian, Western Australian and Queensland Mines Departments attaching to the tenements and are subject to re-negotiation upon expiry of the exploration leases or when application for a mining licence is made.

The commitments are necessary to maintain the tenements in which the Group and other parties are involved. All parties are committed to meet the conditions under which the tenements were granted in accordance with the relevant mining legislation in Namibia, Australia and Canada.

These outlays (exploration, expenditure, and rent) that arise in relation to granted tenements inclusive of tenement applications granted to 31 March 2025, but not recognised as liabilities are:

- US$3.2 million for a period not longer than one year (30 June 2024: US$0.1 million);
- US$1.9 million for a period longer than one year but not longer than 5 years (30 June 2024: US$4.3 million); and
- US$0.2 million for a period longer than five years (30 June 2024: US$0.3 million).

Other Commitments

Purchase Obligations

Commitments for transport, capital, purchase order commitments, fuel and utilities and other supplies contracted for at the 30 June 2024 reporting date but not recognised as liabilities:

As at 30 June 2024	Due by Period (US$ '000)			
	Total	Less than 1 year	1-5 years	After 5 years
Purchase Obligations	14,149	13,192	757	200

There are no material changes to purchase obligations for the nine month period ended 31 March 2025.

Future sales commitments

As of 31 March 2025, Paladin has 22.3Mlb U_3O_8 contracted to 2030 under existing uranium sales agreements. The contract portfolio consists of short and long-term sales commitments. The uranium sales agreements are executed well in advance of a delivery and include base-escalated, fixed-price and market-related pricing mechanisms. Total revenue from these agreements cannot be reliably estimated as the transaction sales price is not typically known until the time of dispatch or delivery. The sales agreements are typically denominated in US dollars.

Contingent liabilities

There are certain legal claims or potential claims against the Group, the outcome of which cannot be foreseen at present, and for which no amounts have been disclosed. It is expected that any liabilities arising from such legal action would not have a material effect on the Group's financial performance.

Other Off-Balance Sheet Arrangements

Short term uranium product loan and swap facilities are typical in the industry and are in place with various counterparties. The product loan arrangements allow Paladin to borrow up to 450,000lb U_3O_8, with repayment in kind upon delivery. Under the loan facilities, certain standby and loan fees are payable. As at 31 March 2025, the Company had borrowed 200,000lb U_3O_8 (30 June 2024: Nil) which is expected to be repaid within the next twelve months. Under the loan facilities, standby fees are payable based on the market value of the facilities and interest is payable on the market value of any amounts drawn under the facility. The effect of early termination of a product loan may result in the immediate performance of payment and redelivery obligations (if any) under the agreement.

In addition, the Company enters into location exchanges (product swaps) to facilitate the sale to customers at one converter which are settled by the delivery of product to a different converter. These exchanges do not necessarily settle at the same time.

At 31 March 2025 Paladin had 280,000lb of loan and swap U_3O_8 to be settled by delivery to converter. The liability recognised for the amount of the product loan drawn down and swap to be delivered is recognised in Accrual and Other Payables on the balance sheet and amounts to US$34.1M (at 31 December 2024 US$12.3M and US$Nil for all prior periods

Transactions With Related Parties

Remuneration of Key Management Personnel

The Group has identified key management personnel as: the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief Commercial Officer, Chief Legal Officer, members of the Board of Directors of Paladin Energy Ltd and directors of controlled entities. The remuneration of the key management personnel for the year ended 30 June 2024 is presented below:

	Year ended 30 June 2024 US$'000
Salaries or other short-term benefits	3,354
Share-Based Compensation	1,683
Total	**5,037**

Other Related Party Transactions

Other related party transactions include the Group's loans from its related party, CNOL. These loans represent the 25% of intercompany shareholder loans owing by LHU to PFPL that were assigned to CNOL upon the sale of a 25% interest in LHMHL to CNOL in 2014. These loans maintain the same conditions as the intercompany shareholder loans and have a range of fixed and floating rates. During the previous three years, certain shareholder loans were extended with revised conditions or entered into. The movement during the period is presented below:

	Year ended 30 June 2024 US$'000
Balance at beginning of period	89,708
Drawdowns	-
Interest Charged	4,048
Accretion Expense	3,561
End of Period	**97,317**

There were no material changes or new transactions with related parties for the three and nine months ended 31 March 2025.

Controls and Procedures

Disclosure Controls and Procedures (DC&P)

The Group's disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Group is recorded, processed, summarised, and reported within the time periods specified in applicable securities legislation. The Group's management has concluded that the disclosure controls and procedures were effective as at 31 March 2025.

Any control system, no matter how well designed, has inherent limitations. Therefore, disclosure controls and procedures can only provide reasonable assurance with respect to timely disclosure of material information.

Internal Control over Financial Reporting (ICFR)

The Group's management is responsible for designing and maintaining an adequate system of internal controls over financial reporting as required under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings. Management designed the internal control system based on the Internal Control – Integrated Framework (2013) published by the Committee of Sponsoring Organizations of the Treadway Commission (**COSO**).

From this framework, an evaluation of the internal control system was completed, and management concluded that the system of internal controls over financial reporting was effective as at 31 March 2025.

Any internal control system, no matter how well designed, has inherent limitations. Therefore, internal controls can only provide reasonable assurance with respect to financial statement preparation and presentation. There have not been any significant changes in the Group's internal control over financial reporting during the three month period ended 31 March 2025, that have materially affected or are reasonably likely to materially affect the Group's internal controls over financial reporting.

Changes In Accounting Policies

The accounting policies adopted have been consistently applied to all the years presented.

There were no changes in accounting policies for the three and nine month periods ended 31 March 2025.

Non-IFRS Measures

Paladin uses certain financial measures that are not defined under IFRS to supplement analysis of its financial and operating performance. These non-IFRS measures do not have a standardised meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers.

The Company believes these measures provide additional insight into the Group's financial results and operational performance and are useful to investors, securities analysts, and other interested parties in understanding and evaluating the Company's historical and future operating performance. However, they should not be viewed in isolation or as a substitute for IFRS financial information. For each non-IFRS measure, we provide an explanation of its composition, the rationale for its use, and a reconciliation to the most directly comparable IFRS measure as required under ASX and TSX regulations to ensure transparency and compliance. The non-IFRS measures referenced in this MD&A are outlined below:

Average Realised Price (US$/lb U_3O_8)

Average Realised Sales Price (US$/lb U_3O_8) is a non-IFRS financial measure that represents the average revenue received per pound of uranium sold during a given period. It is calculated by dividing total revenue from U_3O_8 sales (before royalties and after any applicable discounts) by the total volume of U_3O_8 pounds sold. This measure provides insight into the actual pricing achieved under the Company's uranium sales agreements and spot sales during the reporting period, taking into account the mix of base-escalated, fixed-price and market-related pricing mechanisms within sales agreements. Management uses Average Realised Sales Price to assess revenue performance relative to market prices, contractual pricing structures, and production costs. It is also a key measure used by investors and analysts to evaluate price exposure, contract performance, and profitability potential.

It is important to note that Average Realised Sales Price is distinct from both the spot market price and the term market price for uranium, and it may vary significantly from quarter to quarter based on timing of deliveries, customer contract structures, and the prevailing market environment.

Revenue from uranium sales is reported in the Company's financial statements under IFRS. The Average Realised Sales Price is derived directly from IFRS revenue figures and disclosed sales volumes.

The table below reconciles the average realised price for the quarter and the nine months ended 31 March for FY2024 and FY2025:

		Q3 31 March 2025	Q3 31 March 2024	Year-to-date 31 March 2025	Year-to-date 31 March 2024
Sales revenue	US$'000	60,974	-	138,229	-
U_3O_8 Sold[1]	lb	872,435	-	623,064	-
Average Realised Price	US$/lb	69.9	N/A	69.3	N/A

1. Includes 200,000lb loan material delivered into an existing contract

Cost of production (US$/lb U_3O_8)

The Cost of Production per pound represents the total production costs divided by pounds of U_3O_8 produced. The Cost of Production is calculated as the total direct production expenditures incurred during the period (including mining, processing, site maintenance, and mine-level administrative costs), excluding costs such as depreciation and amortisation and the impacts of any inventory impairments or impairment reversals. This measure helps users assess Paladin's operating efficiency.

Cost of Production per lb = Cost of Production ÷ U_3O_8 Pounds Produced.

Cost of Production (US$/lb U_3O_8) is a unit cost measure that indicates the average production cost per pound of U_3O_8 produced. This is not an IFRS measure but is widely used in the mining industry as a benchmark of operational efficiency and cost competitiveness. Paladin's Cost of Production metric is calculated as the total direct production expenditures (in US dollars) incurred during the period (including mining, processing, site maintenance, and mine-level general & administrative costs) excluding non-cash costs such as depreciation/amortization and excluding impacts of any inventory impairments or reversals, divided by the volume of U_3O_8 pounds produced in the same period. Management uses Cost of Production per pound to track progress of operational performance, to assess profitability at various uranium price points, and to identify trends in operating costs. It is also a key metric for investors and analysts to evaluate how efficiently the Company is producing uranium, independent of depreciation and accounting adjustments.

This measure allows stakeholders to monitor trends in direct production costs and to assess the Company's operating breakeven threshold relative to uranium market prices. Investors are cautioned that our Cost of Production metric may not be comparable with similarly titled "C1 cash cost" metrics of other uranium producers, as there can be differences in methodology (e.g., treatment of royalties or certain site costs). Paladin's Cost of Production figure excludes royalties, exploration expenses, and sustaining capital, focusing strictly on the on-site cost to produce uranium concentrate. All figures are in US$/lb U_3O_8. We provide this information in good faith to enhance understanding of our operations; however, the IFRS financial statements (particularly the cost of sales line in the income statement) should be considered alongside this metric for a complete picture of our cost structure.

For the nine months ended 31 March 2025, this measure is meaningful as the Langer Heinrich Mine ramps up production. We note that during this ramp up phase, a portion of the ore feed came from previously written-down stockpiles (ore that had zero book value due to prior impairment). As a result, IFRS cost of sales was affected by an unusual accounting credit (the impairment reversal mentioned earlier). The Cost of Production (US$/lb) metric excludes the benefit of that prior write-down and thereby represents the actual cost incurred per pound produced, giving a clearer picture of ongoing production efficiency.

In the March 2025 quarter, the LHM produced 745,484lb U_3O_8. The direct production costs incurred for that quarter (excluding depreciation and excluding the stockpile impairment reversal effect) totalled approximately US$30.2 million, resulting in a Cost of Production of US$40.6/lb.

The table below reconciles the Cost of Production for the quarters and the nine months ended 31 March for FY2024 and FY2025:

		Q3 31 March 2025	Q3 31 March 2024	Year-to-date 31 March 2025	Year-to-date 31 March 2024
Cost of production	US$'000	30,267	-	84,181	-
U_3O_8 produced	lb	745,484	-	2,023,572	-
Cost of production	US$/lb	40.6	N/A	41.6	N/A

Net Debt/(Cash)

Net Debt/(Cash) is a non-IFRS liquidity measure that represents the surplus of cash and cash equivalents over total interest-bearing debt. It is calculated by subtracting gross debt (including face value and accrued interest on borrowings) from unrestricted cash and cash equivalents. Management uses Net Debt/(Cash) as an indicator of the Company's net liquidity position at a point in time, providing a simple measure of financial flexibility after accounting for existing debt obligations. This measure is useful to investors and analysts because it isolates the Company's net cash or net debt balance, enabling better assessment of balance sheet strength and funding capacity, particularly as it relates to capital allocation decisions and ability to finance operations and growth.

Net Debt/(Cash) is distinct from individual IFRS line items as it combines and offsets gross financial liabilities and cash balances into a single figure. As such, it is classified as a non-IFRS measure.

The table below reconciles the Net Debt/(Cash) at the end of the quarters ended 31 March for FY2024 and FY2025 and the year ended 30 June 2024:

		31 March 2025	31 March 2024	30 June 2024
Borrowings - Debt Facility	US$'000	89,969	20,970	68,033
Add back capitalised borrowing costs	US$'000	3,281	4,030	2,028
Debt (face value plus accrued interest)[1]	US$'000	93,250	25,000	70,061
Less cash and cash equivalents	US$'000	(117,331)	(49,955)	(48,858)
Net Debt/(Cash)	US$'000	**(24,081)**	(24,955)	**21,203**

Sustaining capital expenditure

Sustaining capital expenditure relates to expenditure on property, plant, or equipment acquired to maintain existing operations without increasing the production capacity of the business.

Forward Looking Statements

This MD&A includes statements that may be deemed “forward-looking statements” within the meaning of Australian securities laws and “forward-looking information” within the meaning of Canadian securities laws (collectively referred to in this MD&A as forward-looking statements). Forward-looking statements can generally be identified by the use of forward-looking words such as “anticipate”, “expect”, “likely”, “propose”, “will”, “intend”, “should”, “could”, “may”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance” and other similar expressions.

All statements in this MD&A, other than statements of historical facts, that address future production, reserve or resource potential, exploration drilling, exploration activities and events or developments that the Group expects to occur, are forward-looking statements. Forward-looking statements involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies including those risk factors associated with the mining industry, many of which are outside the control of, change without notice, and may be unknown to the Group. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for amongst other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rates, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks.

Although the Group believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from the expectations expressed in the forward-looking statements. Factors that could cause actual results to differ materially from the expectations expressed in those forward-looking statements include market prices, exploitation, and exploration successes, permitting and development issues, political risks, First Nation engagement, climate risk, natural disasters, regulatory concerns, continued availability of capital and financing and general economic, market or business conditions and risk factors associated with the Uranium industry generally. There can be no assurance that forward-looking statements will prove to be accurate.

Investors are cautioned that any such forward-looking statements are not guarantees of future performance, and actual results or future developments may differ materially from those projected in the forward-looking statements. Readers should not place undue reliance on forward-looking information, and should rely on their own independent enquiries, investigations and advice regarding information contained in this MD&A. Any reliance by a reader on the information contained in this MD&A is wholly at the reader’s own risk. The forward-looking statements in this MD&A relate only to events or information as of the date on which the statements are made. The Group does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise. No representation, warranty, guarantee or assurance (express or implied) is made, or will be made, that any forward-looking statements will be achieved or will prove to be correct. Except for statutory liability, which cannot be excluded, the Group, its officers, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the material contained in this MD&A and exclude all liability whatsoever (including negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this MD&A or any error or omission therefrom. The Group accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this MD&A or any other information made available to a person, nor any obligation to furnish the person with any further information. Nothing in this MD&A will, under any circumstances, create an implication that there has been no change in the affairs of the Group since the date of this MD&A.

Additional Information

Additional information regarding the Group can be found at www.sedarplus.ca. Further information that has also not been incorporated into this MD&A is available on the Group's website.

Unless otherwise indicated, any technical information contained in this MD&A is based on the information contained in the technical reports and ASX announcements available on the Company's website (www.paladinenergy.com.au.), on the ASX website (www.asx.com.au) and under the Company's profile on SEDAR+ (www.sedarplus.ca).

This MD&A has been authorised for release by the Board of Directors of Paladin Energy Ltd

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