



PALADIN RESOURCES LTD

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Ref:F55447

8 September 2004

The Company Announcements Officer
Australian Stock Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

**Kayelekera Uranium Project
Economic Study Update**

Yesterday Paladin advised the results of its updated Pre-Feasibility Study economic model for the Kayelekera Uranium Project.

The NPV reported indicated 100% of the project equity in Kayelekera. It should be noted Paladin's interest in this project is 90%.

On this basis at US\$20/lb U₃O₈ the combined NPV_(10%) of the Langer Heinrich and Kayelekera Uranium Projects stands at US\$138M (AUD197M) and not the US\$144 (AUD205M) as previously reported.

Yours faithfully
Paladin Resources Ltd

JOHN BORSHOFF
Managing Director