



PALADIN RESOURCES LTD

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Ref:F5740

7 March 2005

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

Dear Sir/Madam

Proposed Placement

The Directors of Paladin Resources Ltd wish to advise that the Company intends to proceed with an equity issue of ordinary shares to raise between A\$30M to A\$40M, to provide funding principally to assist in a seamless transition on the Langer Heinrich Project from the Bankable Feasibility Study to early development.

It is expected that the placement will be finalised within the month. Final terms are yet to be determined. The placement would proceed on a private placement basis with institutional investors, primarily outside of Australia.

The offering will be arranged by a syndicate of agents led by National Bank Financial Inc., including Dundee Securities Corporation and Haywood Securities Inc., all based in Canada.

Yours faithfully
Paladin Resources Ltd

GILL SWABY
Company Secretary