



PALADIN RESOURCES LTD

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Ref:F6026

13 September 2005

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

Dear Sir/Madam

Share Placement

We wish to advise that the Company is proceeding with an equity issue of ordinary fully paid shares to raise between A\$60M to A\$70M. This funding is required to facilitate the following:

- provide additional equity funding which, together with the debt funding announced 29 August 2005 will enable the Company to complete the construction and development of the Langer Heinrich Uranium Project in Namibia including working capital requirements;
- fund Paladin's worldwide uranium project generation activities utilising its extensive proprietary database; and
- fund general working capital.

The offering will be arranged by a syndicate of agents led by National Bank Financial Inc. and RBC Dominion Securities Inc. including Sprott Securities. As the Company is dual listed, shares will be placed through both ASX and TSX.

It is expected that the placement will be finalised within a month. Final terms are yet to be determined. The placement would proceed on a private basis with institutional investors in Australia, North America, London and Hong Kong.

Yours faithfully
Paladin Resources Ltd

JOHN BORSHOFF
Managing Director