



PALADIN RESOURCES LTD

A.C.N. 061 681 098

GRAND CENTRAL 1ST FLOOR, 26 RAILWAY ROAD
SUBIACO WESTERN AUSTRALIA 6008
PO BOX 201, SUBIACO WESTERN AUSTRALIA 6904

TELEPHONE: (+61 8) 9381 4366 FAX: (+61 8) 9381 4978
EMAIL: paladin@paladinresources.com.au
Web: www.paladinresources.com.au

31 August 2006

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir / Madam

Takeover bid by Paladin Resources Ltd for Valhalla Uranium Limited Extension of offer period

We attach the following documents:

- a notice of variation pursuant to section 650D(1)(c)(i) of the Corporations Act 2001 (Cth) which was lodged with ASIC and sent to Valhalla Uranium Limited (**Valhalla**) today, extending the closing date of Paladin Resources Ltd's offers made under its off-market takeover bid (**Offers**) for all the fully paid ordinary shares in Valhalla (**Valhalla Shares**) to 5.00pm (Perth time) on 15 September 2006; and
- a notice under section 630(2)(b) of the Corporations Act 2001 (Cth) confirming the new date for giving notice of the status of defeating conditions.

For the purposes of ASX Listing Rule 3.2:

- Paladin had a relevant interest in nil Valhalla Shares when the first of the Offers was made; and
- at the time of giving this notice, Paladin has a relevant interest in 8.50% of Valhalla Shares.

Yours faithfully
Paladin Resources Ltd

Gillian Swaby
Company Secretary

Paladin Resources Ltd ACN 061 681 098

Company notice – subsection 650D(1) Corporations Act 2001 (Cth)

Notice of variation – extension of offer period

To: Australian Securities and Investments Commission (ASIC);

Valhalla Uranium Limited ACN 116 370 720 (**Valhalla**); and

Each person to whom offers were made under the takeover bid referred to in this notice.

Extension of Offer

Paladin Resources Ltd (**Paladin**) gives notice under section 650D(1) of the Corporations Act 2001 (Cth) that:

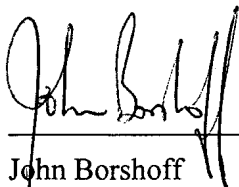
1. it varies its takeover offer dated 2 August 2006 (**Offer**) for all of the ordinary shares in Valhalla which is contained in its bidder's statement dated 24 July 2006 (**Bidder's Statement**) by extending the period during which the Offer will remain open so that the Offer will now close at 5.00pm (Perth time) on 15 September 2006; and
2. the Offer is varied by:
 - (a) replacing "8 September 2006" with "15 September 2006" in section 12.2(a) of the Bidder's Statement; and
 - (b) replacing "31 August 2006" with "7 September 2006" in section 12.12 of the Bidder's Statement.

Lodgment with ASIC

A copy of this notice was lodged with ASIC on 31 August 2006. ASIC takes no responsibility for the contents of this notice.

Date: 31 August 2006

Signed for and on behalf of Paladin by pursuant to a unanimous resolution passed by the directors of Paladin



John Borshoff
Managing Director

Paladin Resources Ltd ACN 061 681 098

Company notice – paragraph 630(2)(b) Corporations Act 2001 (Cth)

New date for giving the notice of the status of conditions

To: Valhalla Uranium Limited ACN 116 370 720 (**Valhalla**); and
Australian Stock Exchange Limited

For the purposes of paragraph 630(2)(b) of the Corporations Act 2001, Paladin Resources Ltd (**Paladin**) gives notice that:

1. the offer period relating to the offer by Paladin for all of the ordinary shares in Valhalla (**Offer**), which Offer is contained in a bidder's statement dated 24 July 2006 (**Bidder's Statement**), has been extended so that it is now scheduled to close at 5.00pm (Perth time) on 15 September 2006;
2. the new date for giving notice of the status of the conditions to the Offer, as required by subsection 630(3) of the Corporations Act 2001, is 7 September 2006; and
3. as at the date of this notice, so far as Paladin is aware, with the exception of the conditions in sections 12.8(a) (FATA), 12.8(i) (Consent to quotation) and 12.8(k) (Valhalla resource) of Paladin's Bidder's Statement, no other conditions to the Offer have been fulfilled.

Date: 31 August 2006