



ASX ANNOUNCEMENT

SALE OF PALADIN SHARES

Resolute Mining advises that it has sold 16 million Paladin Resources Ltd shares for cash consideration of \$79.8m. Following this transaction, Resolute Mining Limited will hold 15.6 million Paladin Resources shares.

Attached is a notice of ceasing to be a substantial shareholder in Paladin Resources Ltd.

For and on behalf of the Board

A handwritten signature in black ink, appearing to read 'P. Sullivan'.

PETER SULLIVAN
Chief Executive Officer

4 October 2006

Form 605
Corporations Act 2001
Section 671B

Notice of ceasing to be a substantial holder

To Company Name/Scheme Paladin Resources Ltd

ACN/ARSN 061 681 098

1. Details of substantial holder⁽¹⁾

Name Resolute Mining Limited

ACN/ARSN (if applicable) 097 088 689

The holder ceased to be a substantial holder on 03/10/06.
The previous notice was given to the company on 11/09/06.
The previous notice was dated 11/09/06.

2. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest⁽²⁾ of the substantial holder or an associate⁽³⁾ in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change ⁽⁴⁾	Consideration given in relation to change ⁽⁵⁾	Class ⁽⁶⁾ and number of securities affected	Person's votes affected
03/10/06	Resolute Mining Limited	Sale of shares of which it is the registered holder in transactions that took place on the Toronto Stock Exchange.	\$79.8m (net of fees)	16,000,000 fully paid Paladin Resources Ltd ordinary shares	Resolute Mining Limited

3. Changes in association

The persons who have become associates⁽³⁾ of, ceased to be associates of, or have changed the nature of their association⁽⁷⁾ with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

4. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Resolute Mining Limited	4th Floor, BGC Centre, 28 The Esplanade, Perth WA 6000

Signature

print name Greg Fitzgerald

capacity Company Secretary

sign here



date 04/10/06