



PALADIN ENERGY LTD

ACN 061 681 098

Ref: 79708

13 February 2008

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

By Electronic Lodgement

Dear Sir/Madam

Kayelekera Uranium Project, Malawi Bank Approval for US\$167M Project Finance

The Directors of Paladin Energy Ltd ("Paladin") are pleased to advise that bank approval has been obtained for the remaining funding component required to develop the Kayelekera Uranium Project in Malawi.

The initial development funding for the project was raised as a component of the US\$250M Convertible Bonds issued on 15 December 2006 with an underlying coupon rate of 4.5%, maturing 15 December 2011 and a conversion price of US\$7.685 per share.

Paladin has received credit committee approved offers of financing totalling US\$167M, consisting of a 7 year Project Finance Facility of US\$145M, a Standby Cost Overrun Facility of US\$12M and a Performance Bond Facility of US\$10M. The facilities are being provided by Société Générale Corporate and Investment Banking (as intercreditor agent and commercial lender), Nedbank Capital a division of Nedbank Limited (ECIC lender) and The Standard Bank of South Africa Ltd (as ECIC facility agent and lender). Drawdown on the financing is subject to completion of legal documentation and fulfilment of other conditions precedent usual for this type of funding, including approval for an export credit guarantee from The Export Credit Insurance Corporation (ECIC), South Africa's statutory export credit and foreign investment insurance provider.

Paladin is very pleased to be associated with Société Générale, Nedbank Capital and Standard Bank who provided the project finance for the Langer Heinrich Uranium Project in Namibia and now are involved in the financing of our second project, the development of the Kayelekera Uranium Project in Malawi.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director