



PALADIN ENERGY LTD

ACN 061 681 098

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19 March 2009

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

By Electronic Lodgement

Dear Sir/Madam

Kayelekera Uranium Project Industrial Action

The Malawi press yesterday reported worker unrest at Paladin's Kayelekera Uranium Project. The Company advises that about 250 of its 1600-strong construction workforce employed at Kayelekera protested in support of claims relating to pay and conditions.

Malawi police were called to the site as a precautionary measure to manage the disturbances. Some Operations personnel not involved in commissioning activities were deployed from site as a precautionary measure. Some protesting workers attempted to obstruct a police bus approaching the site and were dispersed by police. Paladin management and workers' representatives are meeting today to resolve any relevant issues, some of which revolve around the winding down of the construction phase of the Project and consequent impending construction workforce demobilization which will need to occur.

Paladin's essential construction workforce remains in place and is working today. The plant commissioning programme which is underway is unaffected and continues on schedule.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO