



PALADIN ENERGY LTD

ACN 061 681 098

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

By Electronic Lodgement

Dear Sir/Madam

Annual General Meeting Chairman's Address

Chairman's Address by Mr Rick Crabb to the 2009 Annual General Meeting

"Dear fellow shareholders, members of the Paladin team and visitors, as will be apparent from our new corporate video and presentations from senior management today, although the last financial year had been tumultuous for the credit and equity markets, it had no impact on the business at hand for Paladin Energy. Thanks to a clear strategy, dedicated staff, a stable contracted uranium price and ample cash reserves, the Company continued to develop its various uranium mines and projects.

As shareholders, you will be all too aware that the Company's share price retreated during the stock market trough, to a low of \$1.60 Australian. In fact it was a mere \$1.92 at the time of our last AGM. But it recovered strongly during this year, in my view reflecting the positive outlook for nuclear power and thus for the uranium market. More particularly, it reflects what I believe are the unique characteristics of Paladin Energy namely, proven capability to build and operate new mines, a large resource base and substantially uncommitted future production.

My Board also has a firmly held view that Paladin Energy should remain independent and thus we have not taken the path of some other uranium companies of bringing power utilities or other nuclear industry participants onto the share register. We believe that the world needs another major, independent uranium producer and that Paladin Energy has the capacity to fill that role.

In April this year, the President of Malawi officially opened the Kayelekera Mine. This operation is ramping up production and we are confident it will soon meet operational expectations. This Project will make a significant contribution to shareholder wealth and to the Malawian economy.

Sadly, after a sustained injury free period throughout an intensive construction program, fatal accidents have occurred on the Kayelekera site during this year. A thorough review of safety procedures is being undertaken, as the expectation of all involved in our Company is that worker safety is paramount. The Langer Heinrich Mine enjoys a high health and safety standard and to ensure a similar standard applies across all operations, we are now implementing the NOSA system, which is a widely used and internationally accepted health and safety system.

Our flagship project, the Langer Heinrich Mine is continuing to perform well and as John Borshoff will detail, successive upgrades will take production to 9lb to 10lb pa by 2014 to make full use of this wonderful ore body.

Following the change of government in Western Australia to one supportive of uranium mining, the Company has re-activated work on its Manyingee in-situ recovery uranium project. The Company continued to build its Mount Isa uranium resources both by ongoing drilling of its existing projects and through the takeover of Fusion Resources Limited. As I have said before, Paladin is prepared to patiently progress this project whilst awaiting Queensland's uranium policy to come in line with the Federal Government and the other resource-based States.

I urge shareholders to recognise that in the resources sector and in the uranium business in particular, the market is very competitive for experienced personnel. Due to its early mover status, Paladin is fortunate to have a strong contingent of people rich with uranium experience. Their experience and expertise has been enhanced by Paladin's own ground breaking activities over recent years. Having invested in these people, the Company therefore needs to incentivise its key staff appropriately to ensure we retain them. Some of the resolutions before you are designed to assist the Board in this regard.

Once again it is my pleasure to thank John Borshoff and his dedicated team in Australia, Africa and elsewhere for another year of hard work and achievements on several fronts.

Paladin Energy is carving a unique position for itself in a fascinating and increasingly dynamic industry. Despite the scare mongering rhetoric by an ever more marginalised minority of anti uranium campaigners, Paladin directors, employees, shareholders and other stakeholders understand that nuclear power is essential to meet the worlds increasing demand for safe reliable base load electricity, yet achieve a reduction in carbon emissions".

Yours faithfully
Paladin Energy Ltd

A handwritten signature in black ink, appearing to read 'G. Swaby', with a stylized flourish at the end.

GILLIAN SWABY
Company Secretary