PALADIN ENERGY LTD
ACN 061 681 098

Ref: 229700

22 August 2011

Company Announcements Office   *By Electronic Lodgement*
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Uranium Sales Agreements Signed

Paladin Energy Ltd ("Paladin") is pleased to announce the signing of a series of term uranium sales agreements for output from the Langer Heinrich Stage 3 expansion.

The agreements have been signed with three new customers in the United States and further strengthens Paladin's already significant presence within the U.S. nuclear market.

Production commitments from the new agreements total more than 2.8Mlb U_3O_8 with deliveries beginning in 2012 and extending through to 2016. Contractual pricing provisions incorporate both fixed and base (escalated) mechanisms ranging from the low- to -mid-$60's per pound U_3O_8.

Paladin has recently been engaging with a number of parties in relation to new sales contracts and reasonably expects to enter into further term agreements in the coming months.

The Langer Heinrich Stage 3 expansion is near completion with commissioning and staged ramp-up progressing well. Langer Heinrich Stage 3 will increase annual output from 3.7Mlb U_3O_8 to 5.2Mlb U_3O_8.

Commenting on these new sales agreements, Paladin's Managing Director/CEO John Borshoff said:

"We have consistently stated that nuclear fuel buyers continue to recognise the need to secure uranium supplies for the medium and longer term despite the price volatility and perceived uranium market uncertainties caused by events in Japan. These contracts, signed at prices well in excess of the prevailing spot price, only serve to further support this message," Mr Borshoff said.

"Importantly, these agreements are in keeping with Paladin's long-standing uranium contracting strategy of developing a risk-managed portfolio of term sales agreements incorporating various delivery price mechanisms including defined prices as well as market price exposure at time of delivery.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director