



PALADIN ENERGY LTD

ACN 061 681 098

Ref: 311353

26 June 2013

ASX Market Announcements
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

By Electronic Lodgement

Dear Sir/Madam

Strategic Initiative Update

Paladin wishes to advise that the strategic initiative outcome expected to be finalised at the end of June has been delayed to mid to late August. Advanced negotiations have been ongoing with two nuclear parties regarding finalising a minority equity position in the Company's flagship Langer Heinrich Project in Namibia.

The Company is confident a sale will be successfully achieved, however, a revised bid from one of the parties has meant a reconsideration and the approval process will be extended. Paladin believes it is in its best interest to accommodate this and, as such, finalisation of the transaction has moved into the September quarter.

The Langer Heinrich Project has emerged as a world class modern uranium mine. It is operating above its nameplate design and unit costs have been reduced in line with the projections provided to the market in November 2012. Additional cost savings are expected to continue into the mid to longer term further consolidating the attractive nature of this project. With an increase in the uranium price, the potential expansion up to 8.5Mlb production per annum makes this project even more attractive and adds to the Board's confidence that a successful deal will be achieved in the short term.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO