PALADIN ENERGY LTD
ACN 061 681 098

Ref: 371325_1

20 November 2014

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

By Electronic Lodgement

Dear Sir/Madam

Annual General Meeting Presentation and Chairman's Address

Attached please find the presentation in relation to the Annual General Meeting to be held today, together with the Chairman's Address.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO

PALADIN ENERGY LTD
ACN 061 681 098

Chairman's Address at 2014 Annual General Meeting

Dear Fellow Shareholders

The financial year ending 30 June 2014 and indeed the period since then marked a time of considerable activity at your Company. Now is an opportune moment to reflect on events over the past 15 months and the positive impact your Board believes these combined events have had on Paladin's financial position and long-term strategic outlook.

Paladin successfully completed three significant strategic initiatives since mid-January that have strengthened the Company's balance sheet and forecast cash flow in 2014 and 2015. These are:

- The sale of a 25% interest in the Langer Heinrich operation.
- The successful refinancing of the Langer Heinrich and Kayelekera project finance facilities.
- The suspension of production at Kayelekera.

Individually, each of these developments is significant; together, they positively impact Paladin's cash flow by more than US$295M. I mentioned in my letter in the Annual Report that these events provide a strong financial and strategic foundation to navigate the current low uranium price environment and to prepare for a period of future growth when prices inevitably recover. Of course we have now seen a substantial improvement in the uranium price over the past few weeks and this has provided my Board and no doubt shareholders with improved confidence in the Company's capacity to complete on positive terms the final steps to deal with balance sheet reform.

As shareholders will be aware, the price of uranium has faced a severe downturn since 2011. Since July 2013, the spot uranium price traded down to US$28/lb, the lowest level seen for approximately 8 years. August 2014 saw the start of a welcome improvement in the price and then with a very strong movement up to US$43/lb over the past 2 weeks for a number of reasons, including the news from Japan that an initial two nuclear power plants have received approval to re-commence operations in the very near future.

Whilst it must be recognised that considerable further uplift in the uranium price is needed to support a global sustainable supply industry, this recent uplift in price provides some welcome relief for existing producers.

The introduction of CNNC Overseas Uranium Holding Limited, a subsidiary of China National Nuclear Corporation, as Paladin's new 25% partner at Langer Heinrich is a significant development which I believe will have broad positive implications for Paladin's future.

Paladin's alignment with the leading nuclear organisation in China, is a carefully considered strategic move. China's impressive nuclear programme has a growing necessity for primary uranium supply as it continues its expansion programme, so there is obviously future potential and logic for further collaboration with Paladin in order to satisfy those needs.

Paladin offers a unique platform in the global uranium industry through its combination of unparalleled project development and technical expertise, a large resource base spread across several of the world's major uranium basins and, importantly, an independent corporate structure.

Level 4, 502 Hay Street, Subiaco, Western Australia 6008 Postal: PO Box 201, Subiaco, Western Australia 6904
Tel: +61 (8) 9381 4366 Fax: +61 (8) 9381 4978 Email: paladin@paladinenergy.com.au Website: www.paladinenergy.com.au

Shareholders should also recall the US$200M long-term offtake agreement Paladin entered into with Électricité de France S.A (EdF) in September 2012. EdF is the world's largest uranium consumer.

Through our new partnership with CNNC and the offtake agreement with EdF, Paladin has formed long-term strategic partnerships with two of the world's most important nuclear organisations. We view this unique position as a strong endorsement of Paladin's corporate strategy, asset base and technical expertise. It gives rise to the potential for a range of strategic initiatives and alternatives which can add meaningful value for Paladin shareholders.

The first half of 2014 also has seen a continuation of our decisive action to reduce the Company's cost base. Paladin has undertaken a range of cost reduction measures across its business in response to the difficult conditions. In the past two years, Paladin has reduced its corporate head count by 35% and taken US$80 - US$100M in cash costs out of the operations. The cost reduction programme will continue in FY15, when cash costs at the Langer Heinrich operation are expected to be further reduced.

In early February, Paladin made a difficult decision to suspend production at the Kayelekera Mine in Malawi. Putting an operation onto care and maintenance is never an easy decision. Paladin regrets the impact this painful but necessary decision has had on many Kayelekera employees and their families and, more broadly, on the Malawian economy, but it came only after the Company had endured years of financial burden in supporting the loss-making operation.

The support of the Government of Malawi during this transition to care and maintenance is appreciated and it is important to state that Paladin remains committed to maintaining a strong presence in Malawi.

A considerable amount of work completed in 2014 culminated in the landmark announcements I outlined earlier, however the entire Paladin team is conscious there is still much work to be done in the current financial year.

Sadly, two fatalities during 2013 was a stark reminder to all that a fresh and renewed focus on safety awareness was necessary. This is now underway as explained in the safety and health section of the Annual Report. Through the Sustainability Committee and at the full Board level, considerable focus also continues on maintaining sound environmental practices.

I again extend my appreciation on behalf of the Board to John Borshoff and his team for their hard work during another complex and difficult period. On behalf of the Paladin Board and management team, I also would like to thank our shareholders for their ongoing support and I look forward to sharing with you the benefits of what I believe is a new nuclear industry recovery.

RICK CRABB
Chairman

20 November 2014

PALADIN ENERGY LTD

Annual General Meeting

20 November 2014

John Borshoff – Managing Director/CEO

Disclaimer and Notes for JORC and NI 43-101 Mineral Resources and Ore Reserves

This presentation includes certain statements that may be deemed "forward-looking statements". All statements in this presentation, other than statements of historical facts, that address future production, reserve or resource potential, exploration drilling, exploitation activities and events or developments that Paladin Energy Ltd (the "Company") expects to occur, are forward-looking statements.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing and general economic, market or business conditions.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

In the following presentation, for those deposits that are reported as conforming to the Joint Ore Reserves Committee (JORC) 2004 or 2012 code, the terms Inferred Mineral Resources, Indicated Mineral Resources, Measured Mineral Resources, Ore Reserves, Proved Ore Reserves, Probable Ore Reserves and Competent Person are equivalent to the terms Inferred Mineral Resources, Indicated Mineral Resources, Measured Mineral Resources, Mineral Reserves, Proven Mineral Reserves, Probable Mineral Reserves and Qualified Person, respectively, used in Canadian National Instrument 43-101 (NI 43-101).

The technical information in this presentation that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by David Princep B.Sc. and Andrew Hutson B.E., both of whom are Fellows of the Australasian Institute of Mining and Metallurgy. Messrs Princep and Hutson each have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", and as Qualified Persons as defined in NI 43-101. Messrs Princep and Hutson are full-time employees of the Company and consent to the inclusion of the relevant information in this announcement in the form and context in which it appears.

Presentation Outline

- Key Achievements and Update
- Uranium Market Update
- Project Update
- Outlook

Nuclear on the Ascendancy – renewed vigor

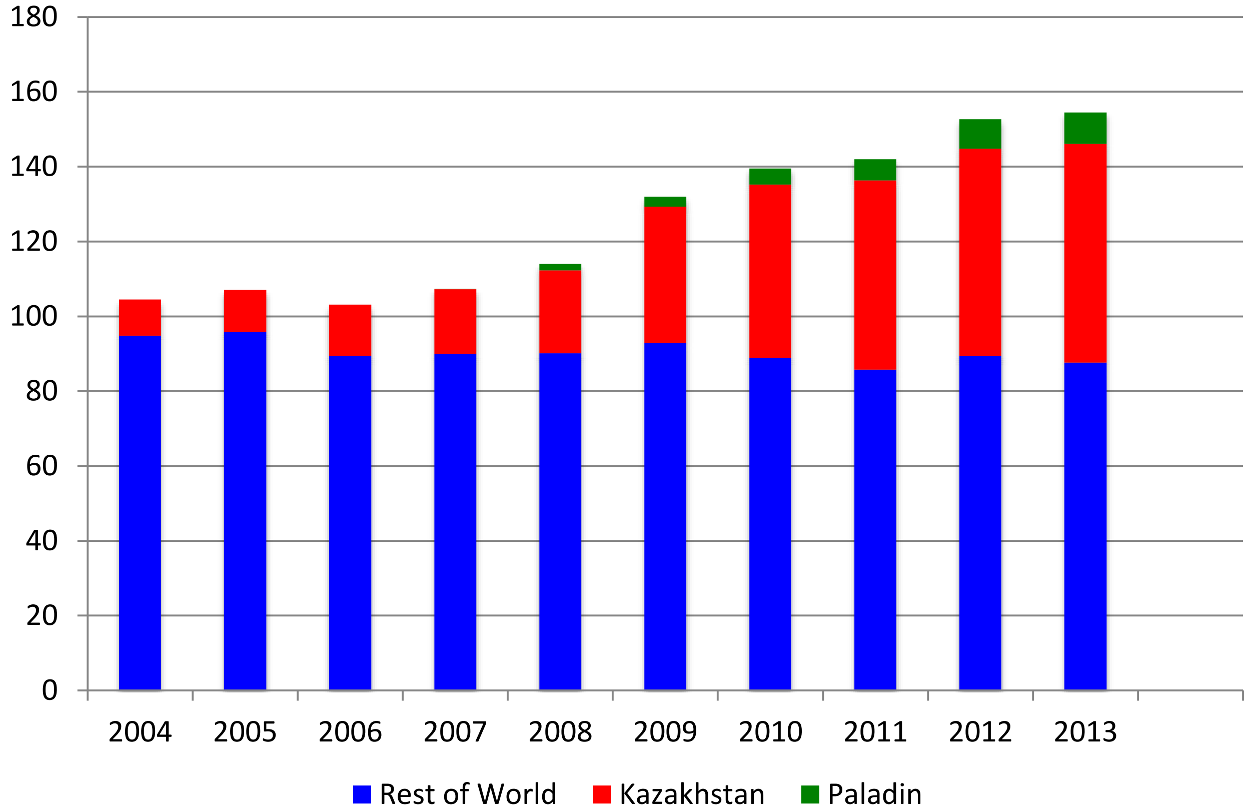
In November alone the following significant nuclear developments have occurred

- **Japan gives green light for restart of its nuclear programmes (7 Nov)**
- **China commits to stringent emission targets by 2030 meaning even more reliance on nuclear power. President Xi (12 Nov - APEC)**
- **US commits to reduce emissions 26%-29% on 2005 levels ensuring reliance on nuclear power. President Obama (12 Nov - APEC)**
- **India as the 3rd largest economy it is targeting to have 25% of its electricity coming from nuclear power. Prime Minister Modi (17 Nov – G20)**

- **represents 45% of total world population (3 billion people)**
- **includes the top 3 world economies**

Global Uranium Production - Paladin is a Standout 2004 - 2013

PALADIN – A SIGNIFICANT EMERGING CONTRIBUTOR IN GLOBAL TERMS (2008 – 2013)



Material Achievements are Redefining Paladin

WE ARE TICKING THE BOXES

Key focus areas for Paladin

Key Paladin Achievements	Achieve strong operational performance	Deleverage the balance sheet	Establish sustainable cash flows	Take advantage of future price resurgence
1. Significant cost reductions and production optimisation at LHM	☑	☑	☑	☑
2. Minority equity stake sale in LHM (US$190M) and establishing a successful partnership with CNNC, a major Chinese nuclear utility		☑	☑	☑
3. Long term sales deal with EdF, a leading global nuclear utility (US$200M prepayment)		☑	☑	☑
4. KM Care & Maintenance, leading to cost reduction / asset preservation	☑		☑	☑
5. Michelin M&I Resource increased by 25% and open pit M&I grades increased by 36%			☑	☑
6. LHM and KM project finance refinancing		☑		
7. FY14 Guidance achieved (7.94Mlb)	☑		☑	

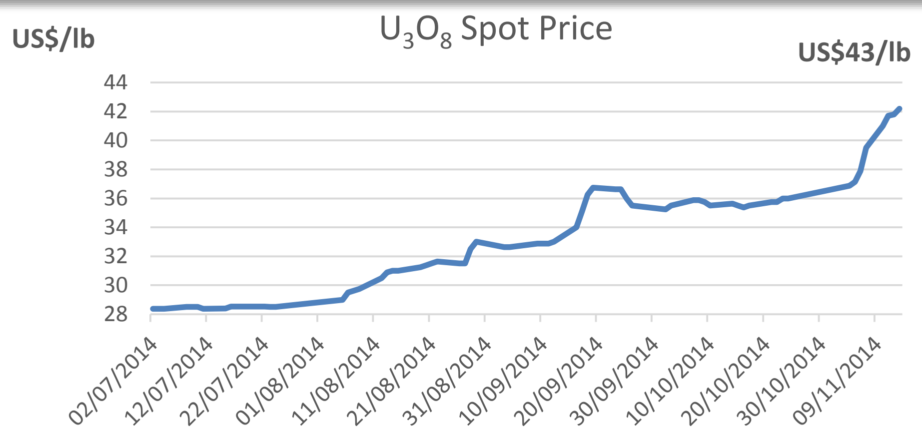
Operational Update Post FY14

- **Langer Heinrich production on track**
- **Langer Heinrich JV minority sale for US$190M completed 23 July**
  - CNNC now formally in Joint Venture with Paladin
- **Successful refinancing of Langer Heinrich facility**
  - reduces repayments by US$32.4M over 3.5 years
- **Kayelekera restart feasibility study initiated**
  - targeting completion during March quarter 2015
- **Focus on funding initiatives designed to strengthen balance sheet**
  - well advanced in discussions on a number of fronts

Presentation Outline

- Key Achievements and Update
- **Uranium Market Update**
- Project Update
- Outlook

Uranium Market Snapshot



Source: UxC Daily Broker Average Price

- Dramatic uranium spot price increase since May (~50%)
- Spot market fundamentals improving as supply tightens and demand rises
- Term market contract volumes already triple that of entire 2013;
- Additional term contracting imminent which is expected to result in term price improvement

	Current Nuclear Capacity	Under Construction	Planned	Proposed
Reactors / (Capacity)	436 (376.3GWe)	71 (74.6GWe)	174 (191.3GWe)	301 (331.4GWe)

Source: World Nuclear Association (October 2014)

- Globally, nuclear power strengthening as reactors enter commercial operation
- Japan clears final hurdle for nuclear restart
- Increasing number of reactors being approved in China

Nuclear Reactor Fleet – Growth Forecast	2014	2020	2025	2030
Reactors	435	504	550	650

Source: World Nuclear Association / Paladin Nuclear

- Exponential global reactor fleet growth post 2020
- Long-term market demand fundamentals require extraordinary growth in uranium supply

Uranium Market Update

- **US Mid-Term elections expected to boost US nuclear power programme**

- **Japanese reactor restarts imminent**
  - Japanese utilities have submitted applications for safety reviews for 20 reactors
  - Sendai 1 & 2 (Kyushu Electric) received restart approval from Prefecture Governor 7th November; restart expected first quarter CY2015
  - recent estimates place a total of 5-6 reactors operating by end of 2015 and 12 reactors by late 2016; more than 20 reactors could be operational by end of 2017

- **Reduction in global uranium production underway**
  - Kayelekera/Honeymoon (Uranium One) placed on C&M
  - restricted operations at Rossing and US-based ISR producers (existing contract deliveries)
  - spot market supply is tightening
  - Kazakhstan announced growth in uranium output to slow dramatically to less than 2% in 2014
  - global uranium production forecast to decline from 2013 level of 154Mlb down to 148Mlb (or less) in 2014

Presentation Outline

- Key Achievements and Update
- Uranium Market Update
- Project Update
- Outlook

Langer Heinrich Project Update

Production

- strong and stable production (5.59Mlb FY14)
- well positioned for FY15
  - annual maintenance successfully completed
  - further operational improvements expected
  - targeting overall recovery of 88%

FY15 guidance 5.4Mlb–5.8Mlb U_3O_8

Optimisation and innovation for further unit cost reduction

- main initiative is bicarbonate recovery project (nano-filtration circuit similar to Kayelekera acid recovery) – commissioning Jan 2015
- other focal areas:
  - beneficiation recovery
  - IX performance
  - product precipitation and washing
  - target <$22/lb by FY17

Kayelekera Project Strategically Placed

Transition to C&M smoothly completed

- C&M procedures well established

C&M water management plan well advanced

- involves controlled release of surplus run-off into local inland waters
- treatment to internationally recognised discharge standards
- plant modifications completed and successfully tested
- provisional discharge permit and release criteria agreed
- stakeholder consultations undertaken
- process expected to commence in January 2015

Restart feasibility study underway

- operational performance proven
- approximately 50% of resource remaining
- C&M ensures a quick restart
- a potentially strong cash generator

Government of Malawi support strong

- future grid power now top government priority (further savings of ~US$4/lb and work has commenced)

Key Pipeline Projects (being advanced)

MANYINGEE WA

- **Advancing toward Field Leach Trial (FLT)**
- **Low-cost ISR project targeting 2Mlb pa U_3O_8 production**
  - existing mining lease
  - Paladin has the expertise to develop
- **2018 development target (price dependent)**
  - field leach testing planned for 2015/16
- **Significant room for resource expansion in the region**
  - targeting 40Mlb of resources

MICHELIN DEPOSIT Canada

- **Drilling commenced August 2013 winter campaign completed March 2014**
  - successfully upgraded Michelin deposit Measured & Indicated mineral resource by 25% to 84Mlb U_3O_8, with 23Mlb U_3O_8 remaining in Inferred
- **2021 development target (price dependent)**
  - Paladin believes the project has the potential to be placed amongst the world's largest economically viable uranium projects – likely to start at around 5Mlb pa with expansion potential
- **Michelin project area mineral resources 100.8Mlb U_3O_8 Measured and Indicated and 39.8Mlb U_3O_8 Inferred**
- **Targeting 200Mlb of mineral resources within tenements**

Presentation Outline

- Key Achievements and Update
- Uranium Market Update
- Project Update
- **Outlook**

What We Plan To Do In FY15

- **Guidance for FY15 is 5.4Mlb to 5.8Mlb U_3O_8**
- **FY15 priorities**
  - further cost rationalisation at operations and corporate level
  - strong operational performance through production optimisation
  - deleveraging the balance sheet
  - remaining positioned to take advantage of the future uranium price resurgence
  - continue improvement in health and safety performance
- **Fully committed to preserving Paladin's strategic position**
  - Board and management focused on Paladin's sustainability at current prices
- **Fully committed to realising value for shareholders**
  - capitalise on very high strategic value of Paladin
  - ability to increase production quickly when and as required
  - capitalise on the innovation and experience developed to date
  - exploit the asset base

There will not be another company like Paladin developed from grass roots into an emerging and significant uranium mining house with high strategic value and of interest to emerging and existing nuclear economies