



PALADIN

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ASX Announcement

19 March 2021

SUCCESSFUL COMPLETION OF PLACEMENT AND INSTITUTIONAL ENTITLEMENT OFFER TO RAISE A\$192.5M AS PART OF A\$218.7M EQUITY RAISE

- Placement and Institutional Entitlement Offer attracted significant demand from both eligible existing and new institutional investors located in Australia and internationally
- Fully underwritten Retail Entitlement Offer to raise a further ~A\$26.2 million opens on Wednesday, 24 March 2021, and is expected to close at 5:00pm (Sydney time) on Friday, 9 April 2021
- Equity Raise proceeds to be applied to the full redemption of outstanding senior secured notes
- Equity Raise provides enhanced financial flexibility¹ ahead of a future Langer Heinrich mine restart

Paladin Energy Ltd (Paladin or Company) is pleased to announce that it has successfully completed an institutional placement (Placement)² and the institutional component of a 1 for 8.5 fully underwritten pro-rata accelerated non-renounceable entitlement offer (Institutional Entitlement Offer, together with the Placement, the Institutional Offer) of new fully paid ordinary shares in Paladin (New Shares). The Institutional Offer will raise approximately A\$192.5 million as part of the Company's fully underwritten A\$218.7 million equity raise (Offer or Equity Raise), as announced on Wednesday, 17 March 2021.

Paladin received significant demand during the Institutional Offer bookbuild from high-quality, eligible existing and new institutional investors located in Australia and internationally. The Institutional Offer has now closed and will raise gross proceeds of approximately A\$192.5 million. The Offer Price was A\$0.37 per New Share which represents:

- 16.7% discount to the Theoretical Ex-Rights Price (TERP) of A\$0.444.³
- 20.4% discount to the last traded price of Paladin shares on ASX of A\$0.465 on 16 March 2021;

¹ Following redemption of the Senior Notes.

² Paladin has been granted a waiver from ASX Listing Rule 7.1 to enable expanded placement capacity given the Entitlement Offer is fully underwritten.

³ The Theoretical Ex-Rights Price (TERP) is the theoretical price at which Paladin shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP. TERP is calculated by reference to Paladin's closing price of \$0.465 on 16 March 2021. The TERP calculation includes New Shares issued under the Placement.



- 17.2% discount to the 5-day volume average weighted price (**VWAP**); and
- 11.3% discount to the 20-day VWAP.

Ian Purdy, Paladin’s CEO said:

“We are delighted by the strong support we have received for the Equity Raise from a broad range of high quality, domestic and international institutions which, we believe, reflects confidence in this truly transformational ‘reset’ of Paladin’s balance sheet. This is an important milestone for Paladin, with proceeds from the Equity Raise being applied to the full redemption of outstanding senior secured notes, which will deliver optionality on future funding structures and strengthen the Company’s uranium marketing position. We are also pleased to be offering participation in the Equity Raise to our existing, eligible retail shareholders, with the Retail Entitlement Offer scheduled to open on Wednesday, 24 March 2021.”

Paladin CEO Ian Purdy and Paladin Directors who are eligible to participate in the Entitlement Offer have each confirmed their intention to subscribe for their respective entitlements for an amount up to the value of their after tax remuneration from their appointment.⁴

As announced on Wednesday, 17 March 2021, proceeds of the Institutional Offer, in conjunction with the retail component of the entitlement offer (**Retail Entitlement Offer**), will be applied to the full redemption of outstanding senior secured notes that the Company issued in connection with a restructure of its debt obligations in early 2018 (**Senior Notes**).

Canaccord Genuity (Australia) Limited is acting as global coordinator, joint lead manager, joint underwriter and joint bookrunner to the Equity Raise. Shaw and Partners Limited is acting as joint lead manager, joint underwriter and joint bookrunner to the Equity Raise. Corrs Chambers Westgarth is acting as Australian legal adviser to Paladin in connection with the Equity Raise.

COMPLETION OF THE INSTITUTIONAL OFFER

The Institutional Offer comprises the issue of approximately 347.3 million New Shares under the Placement to raise approximately A\$128.5 million, and approximately 173 million New Shares under the Institutional Entitlement Offer to raise approximately A\$64.0 million.

The New Shares subscribed for under the Institutional Offer are expected to settle on Thursday, 25 March 2021, with allotment and normal trading on ASX to commence on Friday, 26 March 2021. New Shares issued under the Institutional Offer will rank equally with existing fully paid ordinary shares in Paladin then on issue.

New Shares in respect of institutional entitlements not taken up under the Institutional Entitlement Offer and New Shares that would have represented the entitlements of ineligible shareholders were offered to existing and eligible new institutional shareholders concurrently with the Institutional Entitlement Offer. Paladin expects ASX to lift the trading halt on its shares today and that its shares will recommence trading on ASX on an ex-entitlement basis from market open today.

⁴ Being an aggregate amount of up to A\$370,000 in total.



RETAIL ENTITLEMENT OFFER

The Retail Entitlement Offer of ~A\$26.2 million, which is fully underwritten, is expected to open on Wednesday, 24 March 2021 and close at 5:00pm (Sydney time) on Friday, 9 April 2021 (unless extended).

Eligible retail shareholders with a registered address in Australia or New Zealand, as at 7.00pm (Sydney time) on Friday, 19 March 2021 (**Record Date**), (**Eligible Retail Shareholders**) will be invited to participate in the Retail Entitlement Offer at the Offer Price. Eligible Retail Shareholders will be able to subscribe for 1 New Share for every 8.5 Paladin shares held as at the Record Date.

Further information will be provided to Eligible Retail Shareholders in a booklet (**Retail Offer Booklet**) expected to be issued on Wednesday, 24 March 2021 and lodged with ASX on that date.

In deciding whether to participate in the Retail Entitlement Offer, Eligible Retail Shareholders should carefully read the Retail Offer Booklet. The Retail Offer Booklet and personalised Entitlement and Acceptance Form will contain instructions on how to apply for the Retail Entitlement Offer. Acceptances and payments under the Retail Entitlement Offer must be received by no later than 5.00pm (Sydney time) on Friday, 9 April 2021 (unless the Retail Entitlement Offer is extended).

FURTHER INFORMATION

Further details of the Equity Raise are set out in the Investor Presentation ('Equity Raising Presentation – March 2021') lodged on the ASX on Wednesday, 17 March 2021. The Investor Presentation contains important information including key risks and foreign offer restrictions with respect to the Equity Raise. For other questions, you should consult your broker, solicitor, accountant, tax adviser, financial adviser, or other professional adviser.

This announcement has been authorised for release by the Board of Directors of Paladin Energy Ltd.

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About Paladin

Paladin Energy Ltd (ASX: PDN) is an Australian listed uranium company focused on maximising the value of its 75% stake in the Langer Heinrich uranium mine in Namibia.

Langer Heinrich is a globally significant, long-life operation, having already produced over 43Mlb U₃O₈ to date. Operations at Langer Heinrich were suspended in 2018 due to low uranium prices.

Beyond Langer Heinrich, the Company also owns a large global portfolio of uranium exploration and development assets. Nuclear power remains a cost-effective, low carbon option for electricity generation.

This announcement is not financial product, legal, tax or investment advice and has not taken into account your objectives, financial situation or needs.

This announcement contains certain “forward-looking statements”, which can generally be identified by the use of words such as “will”, “may”, “could”, “likely”, “ongoing”, “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “forecast”, “goal”, “objective”, “aim”, “seek” and other words and terms of similar meaning or by using future dates in connection with any discussion of, among other things, expectations regarding the completion of the Equity Raise and the use of proceeds. The Company cannot guarantee that any forward-looking statement will be realised. Achievement of anticipated results is subject to risks, uncertainties and inaccurate assumptions. See the Investor Presentation for a description of key risks with respect to the Equity Raise. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements, and you are cautioned not to put undue reliance on forward-looking statements.

Not an offer in the United States

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