



PALADIN

Clean energy. Clear future.

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ASX Announcement

31 March 2022

Paladin Secures Uranium Sales Tender Award

Paladin Energy Limited (ASX:PDN OTCQX: PALAF) (**Paladin**) advises that it has received a Uranium Sales Tender Award (**Tender Award**) for an offer to supply uranium concentrates to a subsidiary of Duke Energy, a leading Fortune 150 North American power utility. The Tender Award provides further evidence of a strengthening uranium market and is an important step forward in returning the Langer Heinrich Mine back to production.

HIGHLIGHTS

- The Tender Award contemplates the supply of up to 2.1M lbs of U₃O₈ over a 6-year period commencing in 2024 (representing approximately 5% of total production over this period), with the utility having the option to extend these annual supply arrangements for another 3 years
- Pricing for the Tender Award is based on an agreed US\$ base price per lb (with that base price being set having regard to a range of factors, including the expected all-in sustaining costs of Langer Heinrich (factoring in an appropriate margin) and a range of current uranium pricing metrics), inflation-adjusted from the date of execution of the binding offtake contract
- The Tender Award is consistent with Paladin's uranium marketing strategy of securing contracts with industry leading counterparties. Paladin has an existing offtake agreement with CNNC Overseas Uranium Holding Limited (CNNC) for up to 25% of the Langer Heinrich future life-of-mine production, utilising a spot-market pricing mechanism
- Paladin is now progressing towards a decision to restart the Langer Heinrich Mine and continues to engage with global power utilities with a view to securing further offtake agreements.

The Tender Award remains subject to finalising a mutually agreed legally binding offtake contract. The contract will contain industry standard terms and conditions including:

- A condition precedent that approval by the Government of Namibia is obtained
- Warranties associated with compliance with nuclear safeguard provisions, conformity to international agreements and for material to be used exclusively for peaceful non-explosive purposes
- Termination provisions for the benefit of the utility in the event that Paladin or Langer Heinrich Uranium (Pty) Ltd (the entity that owns the Langer Heinrich Mine) becomes majority owned or controlled by a third party without the utility's prior written consent being obtained.

The Tender Award provides the Company with further confidence in a strengthening uranium market which underpins the decision to commence activities to return the Langer Heinrich Mine back to production. However, the volume of U₃O₈ the subject of the Tender Award (and therefore the potential



revenue derived from such sales) is, in itself, not considered by Paladin to be material in the context of the overall production from the Langer Heinrich Mine.

Whilst the Company is confident of successfully concluding these negotiations given that all key commercial terms have now been agreed, there can be no guarantee that a legally-binding offtake contract will ultimately be entered into.

Paladin CEO, Ian Purdy said *“The Tender Award is an important milestone in Paladin’s corporate progression and is a strong endorsement of the Company’s disciplined uranium marketing strategy. With the strength of the Company’s existing uranium sales offtake combined with the successful Tender Award and the continuing strong uranium market fundamentals, Paladin can now confidently work towards a formal commencement of the Langer Heinrich Mine Restart Project. The improving outlook for uranium markets and the transition towards the decarbonisation of global electricity generation provides the platform for an exciting period ahead for Paladin and I look forward to updating you on our progress.”*

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

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About Paladin

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