



**PALADIN ENERGY LTD**  
ACN 061 681 098

7 February 2018

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

*By Electronic Lodgement*

Dear Sir/Madam

**LANGER HEINRICH SHAREHOLDERS AGREEMENT – COUH OPTION RISK**

Paladin Energy Ltd (**Paladin** or **Company**) refers to its previous announcements regarding the ASX conditions for Paladin's shares to be reinstated to official quotation (and trading) on ASX. One such condition requires Paladin to provide an update in regards to the risk that CNNC may issue an appraisal notice and purchase Paladin's interest in the Langer Heinrich Mine.

Paladin, via Paladin Finance Pty Ltd (**Paladin Finance**), has a 75% interest in Langer Heinrich Mauritius Holdings Ltd (**LHMHL**), the holding company of the owner of the Langer Heinrich Mine. The remaining 25% interest is held by CNNC Overseas Uranium Holdings Ltd (**COUH**).

Under the shareholders agreement between Paladin Finance and COUH, COUH has an option to purchase Paladin's Finance's interest in LHMHL in certain solvency related scenarios including where:

*[Paladin Finance or Paladin] suspends payment of its debts generally or is unable to pay its debts as and when they fall due or is presumed to be insolvent under applicable law, or enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;*

In the event that entering into the deed of company arrangement on 8 December 2017 (**DOCA**) triggered COUH's option, COUH had 60 days to issue an appraisal notice requiring a valuation process by an independent expert as the first step towards potentially exercising the option.

The applicable 60 day period ended on **Tuesday, 6 February 2018** and Paladin did not receive an appraisal notice from COUH.

Yours faithfully  
Paladin Energy Ltd

**ALEXANDER MOLYNEUX**  
**CEO**