



PALADIN ENERGY LTD

ACN 061 681 098

Ref: 175069

20 July 2010

Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

By Electronic Lodgement

Dear Sir/Madam

Negotiations with NGM Resources Limited

Paladin advises that it is currently undertaking due diligence on NGM Resources Limited (NGM) and is negotiating with the Board of NGM in terms of a potential takeover bid. The Board of Paladin has not yet made a decision on this matter. The market capitalisation of NGM represents less than 1% of Paladin's market capitalisation.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO