



PALADIN ENERGY LTD

ACN 061 681 098

10 August 2015

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

Dear Sir/Madam

Change of Chief Executive Officer

Paladin Energy Limited (ASX:PDN) (**Paladin or the Company**) advises that its Board and Managing Director and CEO Mr John Borshoff have today agreed that Mr Borshoff will step down from his role with the Company.

The Board acknowledges Mr Borshoff's unquestioned dedication and significant contribution to Paladin, a company he founded more than 21 years ago. Under Mr Borshoff's stewardship, Paladin has built a unique position in the uranium mining industry and he is recognised as a world authority in this realm.

"On behalf of the Board, I cannot thank John enough for having the vision, tenacity and spirit to create and lead Paladin," said Paladin Non-Executive Chairman, Mr Rick Crabb. *"John will be dearly missed by the Paladin team and we wish him the best in future endeavours."*

A process to identify a suitable new CEO is now underway. In the interim, Mr Alexander Molyneux has been appointed Interim CEO. Mr Molyneux joins with substantial experience in natural resources executive leadership, including both public mining company CEO and uranium experience.

Mr Molyneux's core mandate will be to: (i) to continue the optimisation of Paladin's overall cash flow break-even level with the aim to become cash flow generative in the current uranium price environment; (ii) focus on accelerating strategic initiatives that deliver value; and (iii) to assist the Board in its search for a permanent CEO.

Mr Borshoff will assist in a transitional role during the six month notice period provided for in his employment contract. Mr Borshoff has assured the Board of his intention to assist to the fullest extent required during this transitional period.

The details of Mr Borshoff's entitlements under his executive services agreement in connection with the cessation of his employment are contained in Paladin's 2014 annual report.

Further details on and the key terms of employment for Mr Molyneux as Interim CEO are as set out in the annexure to this announcement.

The Company hereby requests that the halt in trading of its shares be lifted.

Yours sincerely
Paladin Energy Ltd

RICK CRABB
Chairman

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Annexure to ASX Release Dated 10 August 2015

Alexander Molyneux

Mr Molyneux (40) was born in Australia and attained a Bachelor of Economics from Monash University (Melbourne). His career included 10 years as an investment banker as a metals and mining specialist with Citigroup, UBS and Deutsche Bank.

From 2009 to 2012 he was the President and CEO of SouthGobi Resources Ltd a coal mine operator in Mongolia and Indonesia. Since 2012 he co-founded Azarga Resources Group a private partnership focused on minerals sector merchant investment.

Mr Molyneux acted as an adviser to HOPU Investment Management with respect to its initial investment in Paladin.

Terms of Appointment

Mr Molyneux will be appointed as interim CEO for a period expected to be 6 months. The Company or Mr Molyneux may end his appointment by giving 2 months notice. Mr Molyneux will receive US\$25,000 per month. He will also be granted options as follows:

- 1,000,000 options exercisable at A\$0.20 each at any time up to 3 years after grant, to be granted as soon as practicable;
- 1,000,000 options exercisable at A\$0.30 each at any time up to 3 years after grant, to be granted in 90 days if Mr Molyneux still holds the role of Interim CEO at that time; and
- 1,000,000 options exercisable at A\$0.40 each at any time up to 3 years after grant, to be granted in 135 days if Mr Molyneux still holds the role of Interim CEO at that time.

Paladin intends to enter into a full form agreement with Mr Molyneux shortly and will advise the market of any further material terms contained in such agreement.