PALADIN ENERGY LTD

BMO 29th GLOBAL METALS & MINING CONFERENCE
24th-26th February 2020
ASX: PDN
DISCLAIMER AND NOTES
JORC MINERAL RESOURCES AND ORE RESERVES

This presentation contains summary information about the Company's activities current as at the date of this presentation. The information in this presentation is of a general background nature and does not purport to be complete or contain all the information investors would require to evaluate their investment in the Company, nor does it contain all the information which would be required in a prospectus or product disclosure statement prepared in accordance with the Corporations Act 2001 (Cth). The Company is not responsible for updating, nor undertakes to update, this presentation. This presentation should be read in conjunction with the Company's other periodic and continuous disclosure announcements, available at http://www.paladinenergy.com.au.

This presentation includes statements that may be deemed “forward-looking statements”. All statements in this presentation, other than statements of historical facts, that address future production, reserve or resource potential, exploration drilling, exploitation activities and events or developments that the Company expects to occur, are forward-looking statements.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from the expectations expressed in the forward-looking statements. Factors that could cause actual results to differ materially from the expectations expressed those in forward looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions and risk factors associated with the uranium industry generally.

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The information in this presentation relating to the Mineral Resources and Ore Reserves for all of the Company's deposits other than Langer Heinrich, Michelin, Jacques Lake and Manyingee was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that this information has not materially changed since it was last reported. Refer to the Resource and Reserve Tables slide in the Appendix of this presentation.

Competent Persons Statement

Figures for Mineral Resources and Ore Reserves detailed in this presentation were compiled by David Princep of Gill Lane Consulting from Paladin Annual Reports and ASX announcements as noted in the Appendix. Mr. Princep is a Fellow of the Australasian Institute of Mining and Metallurgy and a Chartered Professional Geologist. Mr. Princep has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012). Mr Princep approves of and consents to the inclusion of the information in this announcement in the form and context in which it appears.
WHO IS PALADIN?

- ASX listed independent uranium company with a focus in Africa, Australia and Canada

14 years of production history across two mines in Africa, Langer Heinrich (Namibia) and Kayelekera (Malawi)

Both mines are on care and maintenance (C&M), preserving our resource and shareholder value in the current low uranium price environment

Non-core assets reviewed to preserve cash leading to the proposed sale of the Kayelekera mine

Large and globally diversified uranium exploration portfolio - ~320Mlb\(^1\)

MARKET SNAPSHOT ASX: PDN

<table>
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<tr>
<th>Metric</th>
<th>Value</th>
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<tbody>
<tr>
<td>Shares on issue</td>
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<tr>
<td>Share price (as at 17 February 2020) A$</td>
<td>0.09c</td>
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<tr>
<td>Market capitalisation A$</td>
<td>178.5M</td>
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<tr>
<td>Market capitalisation US$(^2)</td>
<td>121.3M</td>
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<td>Unrestricted Cash US$(^3)</td>
<td>37.7M</td>
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<tr>
<td>Debt US$(^4)</td>
<td>138.8M</td>
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SUBSTANTIAL SHAREHOLDERS\(^4\)

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<thead>
<tr>
<th>Shareholder</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Paradice, Maso (Form 604 dated 20/10/19)</td>
<td>13.55%</td>
</tr>
<tr>
<td>Tembo Capital Management</td>
<td>13.05%</td>
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<tr>
<td>Value Partners</td>
<td>8.03%</td>
</tr>
<tr>
<td>Hopu Clean Energy</td>
<td>7.03%</td>
</tr>
</tbody>
</table>

1 Measured, indicated and inferred resources for the Michelin, Mount Isa and Manyinge Projects (including Carley Bore) on a 100% Project basis
2 A$/US$ exchange rate 0.68
3 As at 31 December 2019 and excluding restricted cash of US$11M
4 As at 31 December 2019
MEET THE NEW BOARD AND CEO

Cliff Lawrenson – Non-Executive Chairman
Mining executive with deep expertise in the minerals and energy sectors derived from global experience having worked extensively in project development and investment banking. A successful track record of leading strategic direction in companies and executing corporate transactions.

Peter Main – Non-Executive Director
Mining and finance professional with extensive experience of the financial markets with a wealth of industry experience, having spent almost 15 years in a variety of roles in the mining industry from operations through to CEO of a TSX-V listed mining company.

Peter Watson – Non-Executive Director
Chemical engineer with extensive experience in the global resources sector across senior technical, project, and management roles as well as running ASX-listed companies. His experience includes project development, project delivery, asset optimization and mining facilities operations across multiple commodities and global jurisdictions.

Ian Purdy – Chief Executive Officer
Highly-respected executive with over three decades’ experience within Australian and international resources companies. Ian has delivered significant shareholder value through managing and optimizing operations, delivering large projects and executing on business improvements and asset sales. Ian also has extensive capital markets experience and a proven track record of delivering company funding requirements.
A low cost, long life uranium mine
LANGER HEINRICH MINE

- A strategic, tier one mine, historical production capacity 5.2Mlb pa
- Langer Heinrich is fully permitted and licensed
- 17-year mine life remaining
- Our relationships and products are market proven
- Proven top 10 uranium mine by production when operated\(^1\)
- Replacement cost >US$600M today and approximately five years to plan, design, construct and commission
- Langer Heinrich has produced and marketed approximately 43Mlb\(^2\) of U\(_3\)O\(_4\) over 10 years of production history

\(^1\) UxC Uranium Production Cost Study – August 2017
\(^2\) Approximately 43Mlb of U\(_3\)O\(_4\) produced from 2007 to 2018
NAMIBIA – PREMIER GLOBAL URANIUM JURISDICTION

- Namibia is a premier uranium jurisdiction
- Supplies 5% of the world’s uranium (>15Mlb pa)
- 40+ years production history
- Stable government with history of supporting investment
- Politically/socially supportive
- Excellent infrastructure:
  - Port
  - Road
  - Rail
  - Water
  - Power
PREFEASIBILITY STUDY HIGHLIGHTS

- Prefeasibility Study confirms 12-month execution lead time to low risk restart Langer Heinrich
- Aspirational average life of mine AISC target US$30/lb achievable
- Capital and Operations start up costs (including asset debottlenecking and efficiency improvements) of US$80M
- Opportunity to increase production at restart to 6.5Mlb pa with additional, high return discretionary capital of US$30M
- Potential for further AISC improvements as identified in the Concept Study of approximately US$4.50/lb through significant process changes
PFS1 HAS CONFIRMED RAPID RESTART PLAN

- PFS1 confirms Concept Study results of comparatively low initial restart expenditure requirements of ~US$80M for ~5.2Mlb pa production capacity

- \[ \text{Plant Repair & De-Preservation Costs} \quad \text{US$38M} \]

- \[ \text{Operations Restart Costs} \quad \text{US$42M} \]
  (includes: first fill of reagents, recommissioning, mobilisation of equipment and tailings dam costs)
PALADIN IDENTIFIES LOW COST EXPANSION OPPORTUNITY BEYOND 5.2MLB PA

Low Cost
US$30M (in addition to the US$80M) for 1.3Mlb capacity expansion

High return expansion
Capital intensity of US$23/lb (leach debottlenecking, surge capacity, water storage, automation & reliability program)

Care and Maintenance Activities
Undergoing full review of Care and Maintenance for risk management assurance and to reduce holding costs

2021 Production Potential
Potential to recommence production during 2021 if the right market conditions materialise in the near term (price and funding dependent)

Low Risk
No novel technology or processes. Grow by optimising our current approach

Expand Production to 6.5Mlb Capacity

PALADIN ENERGY LTD
WORLD-WIDE PRODUCT COST CURVE – ALL PROJECTS

Source: UxU Production Cost Report 2019 – August 2019

Note 1: AISC: All in Sustaining Cost based on the results of Paladin’s Langer Heinrich Concept Study completed in February 2019; 2 ASX Prefeasibility Study Announcement 14 October 2019
OTHER ASSETS

Exploration across two continents
KAYELEKERA MINE SALE IN PROGRESS

- Paladin (Africa) Ltd, which holds an 85% interest in Kayelekera Mine to be sold to Lotus Resources Ltd
- Consideration for the sale:
  - A$5M
    - A$200,000 cash
    - A$4.8M in shares (A$1.8M on completion subject to 12 month escrow, A$3M on third anniversary)
  - Deferred Royalty of 3.5% from production capped at A$5M
- US$10M Environmental performance bond to be refunded
  - US$4M on completion; US$1M first anniversary; US$2M second anniversary; US$3M third anniversary
- Awaiting final Malawi Government consents
A QUALITY GLOBAL SUITE OF EXPLORATION ASSETS

Michelin (55%)
- 69,825ha mineral licence in Labrador
- 256,771m of cumulative linear drilling
- US$75M of total historical in ground exploration to-date
- Among largest deposits in North America

Status: Pre-development exploration

Carley Bore (100%)
- Two exploration licences with retention status 100km south of Manyingee
- Acquired in 2015 for US$13M
- Potential for “stand alone” or satellite ISR to Manyingee ISR project

Status: Advanced exploration

Mount Isa (100%)
- Six Mineral Development Licences
- Largest uranium deposit in Queensland
- Potential for future development of uranium mine

Status: Pre-development exploration

Manyingee (100%)
- Three mining licences covering 1,307ha
- Over US$17.9M of exploration and testing to date including 55,764m of cumulative drilling and field leach trial
- Potential for 1-2Mlb pa ISR mine

Status: Advanced exploration

Global Exploration Project Resource1
- 203Mt at 710ppm U₈O₂ for 317.6Mlb

Source: Paladin Research

1 Measured, indicated and inferred resources for the Michelin, Mount Isa and Manyingee Projects (including Carley Bore) on a 100% Project basis as at June 2018.
WHY PALADIN

Paladin Energy Ltd (PDN.ASX)
INVESTMENT DRIVERS

- Owner of the globally significant Langer Heinrich deposit in mining friendly Namibia
- Existing infrastructure and historic mine development at Langer Heinrich results in a lower incentive price to restart operations than peers require to develop new mines
- Langer Heinrich has all the required permits to restart
- Production anticipated within 12 months of the commencement of restart works for US$80M of capital
- Langer Heinrich is well positioned on the cost curve with an expected All In Sustaining Cost of between US$29/lb and US$33/lb
- Nuclear energy remains a global source of low cost and low carbon energy. The nuclear power industry is consuming more uranium now than pre-Fukushima
- Appointment of new CEO and a restructured board to provide the technical and commercial skill sets necessary to restart mining activities
WHY URANIUM?

A solid long-term outlook
THE URANIUM STORY IS COMPELLING

Spot uranium prices are near historic lows

The nuclear power industry is consuming more uranium than pre-Fukushima with growth in China, India and elsewhere

Since 2013, utilities have been “under buying” at an average rate of 90Mlb per year relative to consumption” (635Mlb divided by 7 years)

European and US utilities are running down stockpiles and contract positions put in place pre-Fukushima

Mined supply has been rapidly cut back
DEMAND GROWTH FAR EXCEEDS SUPPLY CAPABILITY

- Current supply unable to meet even base case demand
- US contract coverage reaching critical lows

Source: Paladin Research and UxC Uranium Production Cost Study – September 2019
Note*: Euratom - European Atomic Energy Community
SUPPLY SIDE FACTORS

KEY MARKET OBSERVATIONS

- Stocks drawn down >400Mlb and +40Mlb taken out of the supply side in recent years (including Ranger 2019)
- Significant decrease in exploration spend since Fukushima, supply side projects reduced by 90% (670 projects to 90 now)
- New project development timelines stretched:
  - Permitting uncertainty remains in many jurisdictions
  - May require significantly higher incentive prices +US$50-$80/lb
  - Production from new mines likely many years after incentive prices reached
- When long-term contracting returns, enrichment tails will increase, reducing the contribution of secondary production to the market
- Kazakhstan production flat @ <60Mlb to 2021. 15% IPO + (ve) for transparency. Changed from volume-based to value-based marketing

MARKET OPPORTUNITIES

- The rate of development of new mines is unlikely to match the demand growth case
- Potential for recovery in uranium prices
- Mines currently on C&M have a significant restart timeline advantage

Source: UxC Uranium Production Cost Study – September 2019
### RESOURCE & RESERVE TABLES

#### 30 June 2019

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<tr>
<th>Ore Reserves</th>
<th>Mt</th>
<th>Grade ppm U3O8</th>
<th>Mt lb U3O8</th>
<th>Paladin Ownership (%)</th>
<th>Paladin Attributable (Mt)</th>
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<th>Paladin Ownership (%)</th>
<th>Paladin Attributable (Mt)</th>
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The Group is not aware of any new information or data that materially affects the information in the relevant market announcements or material assumptions and technical parameters underlying the estimates in the relevant market announcements continues to apply and have not materially changed.