



PALADIN ENERGY LTD

ACN 061 681 098

18 April 2016

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

By Electronic Lodgement

Dear Sir/Madam

CLARIFICATION OF INCORRECT MEDIA/BLOG REPORTS CONCERNING WATER DISCHARGE AT KAYELEKERA MINE

Paladin Energy Ltd (**Paladin** or the **Company**) (ASX:PDN / TSX:PDN) notes media / blog reports indicating water from a tailings facility at Kayelekera Mine in Malawi has released into the environment. Such reports are untrue. The Company assures stakeholders that no tailings water has been released into the environment at Kayelekera Mine.

A series of major storm events over large areas of northern Malawi in early to mid-February and in early April delivered intense rainfall to the Kayelekera Mine and the region generally. Rainfall runoff from these rains resulted in overflow and environmental release of some clean water from a rainfall runoff water catchment pond at Kayelekera Mine site early last week in accordance with the Environmental Impact Assessment and Environmental Management Plan.

Water inventory in the Kayelekera Mine tailings storage facility increased due to the heavy rainfall events. However, the freeboard levels remain within the approved operating design criteria and this facility continues to be actively monitored and managed.

Yours faithfully
Paladin Energy Ltd

ALEXANDER MOLYNEUX
CEO