

# Paladin Energy Ltd: Positive Drilling Results, Michelin Project, Labrador

May 7, 2014 (Source: Marketwired) – Paladin Energy Ltd (TSX: PDN)(ASX: PDN) (“Paladin” or the “Company”) is pleased to announce the successful completion of the winter infill drilling programme at the Michelin deposit in Labrador, Canada confirming both the robust nature and high grade of this deposit. During this programme, 13 drill holes for 3,871m were completed from seven drill platforms at Michelin. The drill programme was planned to increase mineral resource confidence in a number of under drilled areas as well as target potential small increases in mineral resource size by better defining the geological model. A number of the platforms used had previously been positioned during the 2013 summer season to speed up the drill re-location process and minimise rig movement costs. The drilling was successful in further defining the extensive mineralisation at the Michelin deposit with all 13 holes intersecting mineralisation, 6 returning significant intersections and infilling a number of key data voids within the Mineral Resource estimate. The results from this programme have underlined the quality of the Michelin deposit and its significance within the Central Mineral belt of Labrador.

Selected significant results from the drilling are presented below with all results detailed in the additional information attached to this announcement.

Hole	Depth from m	Length m	Grade eU <sub>3</sub> O <sub>8</sub> ppm	
<b>M14-151</b>	302	10	1,092	
<b>M14-154</b>	214	15	1,403	
	and	256	8	1,307

<b>M14-156</b>		230	12	956
<b>M14-158</b>		191	16	960
<b>M14-162</b>		348	28	1,022
<b>M14-163</b>		355	9	1,146

The results from this drilling will be incorporated into an upcoming Mineral Resource estimate update expected during the second quarter. From work already completed using data from the 2012 and 2013 drilling campaigns it is expected that there will be a significant improvement to the current mineral resource classification as well as a small increase in total mineral resource.

In addition, two holes for 561m were drilled at the Rainbow deposit located approximately 3km south of the Michelin deposit. The current Rainbow mineral resource is relatively small and the drill programme was targeted at potential depth extensions. Unfortunately neither of these holes intersected the targeted mineralisation.

In conjunction with the drilling outlined above, during the winter campaign additional coverage was added to the regional ground magnetic survey. The results from this survey will be used to define additional exploration targets in the vicinity of the Michelin deposit and these will be included in drill planning for the next winter programme. The current magnetic image for the Michelin-Rainbow trend is shown in the additional information attached. The highly prospective Michelin-Rainbow trend, as outlined in the image, includes numerous radiometric anomalies and prospects identified through geological mapping and prospecting as well as limited scout drilling.

### *Declaration*

The information in this announcement that relates to exploration results and mineral resources is based on information compiled by David Princep, B.Sc., FAusIMM(CP). Mr

Princep has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking 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", and as a Qualified Person as defined in Canadian National Instrument 43-101. Mr Princep is a full-time employee of Paladin Energy Ltd and consents to the inclusion of the information in this announcement in the form and context in which it appears.

*Caution regarding forward-looking information*

Except for any historical information contained in this news release, this news release contains "forward-looking information" within the meaning of securities laws of applicable jurisdictions. The forward-looking information includes, but is not limited to, statements with respect to completion of an updated mineral resource estimate and the potential for an increase in the size of the mineral resource estimate for the Michelin deposit.. However, forward-looking information involves known and unknown risks, uncertainties and other factors, many of which are outside the control of Paladin, and its officers, employees, agents or associates. Such risks, uncertainties and other factors include, but are not limited to, those factors discussed in the section entitled "Risk Factors" in Paladin's most recent Annual Information Form available under Paladin's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Although Paladin has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Actual results, performance or achievements may vary materially from those suggested by such forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information and Paladin assumes no obligation to update such

information, except as required by applicable law.

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**PLEASE SEE ADDITIONAL INFORMATION AT THE FOLLOWING LINK:**

<http://media3.marketwire.com/docs/944154-Tech.pdf>