

SE Business
HD **Paladin's revenue plunge despite uranium's rise**

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A surge in the **uranium** spot price failed to help Paladin **Energy's** bottom line, with the **company** declaring a net after-tax loss from **operations** of \$US45.8 **million** for the September quarter.

According to Paladin's latest financial results, released late yesterday, revenue for the quarter crashed 43 per cent to \$US39.3 **million**.

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The spot price of **uranium** rose 5 per cent in the quarter, from an average \$US29.65 a pound in the June period to \$US31.17/lb in the last quarter. Paladin's average received price in the period fell 18.3 per cent to \$US31.16/lb.

Revenue was crunched by both the fall in its received price and a 25 per cent fall in production at the Langer Heinrich mine — to 1.03 **million** pounds of **uranium** oxide — because of scheduled maintenance shutdowns and "issues associated with unforeseen processing circuit scaling".

The unexpectedly big loss will put further pressure on Paladin's balance sheet, despite the completion of a \$US190 **million company**-saving deal with **China** National Nuclear Corporation for the **sale** of a 25 per cent **stake** in Langer Heinrich. Closure of the deal left Paladin with cash holdings worth \$US209.5 **million** at September 30.

Paladin also refinanced its existing \$US110 **million** project finance loan and \$US20 **million** working capital facility in the quarter, and used some of the CNNC cash to pay down debt.

But the **company** still faces the task of refinancing \$US300 **million** of convertible **bonds** maturing next November, as well as paying \$US40.4 **million** in interest and principal repayments before next September.

Its shares gained 1.5¢ to 40¢.

CO chinuc : China National Nuclear Corp. | palrs : Paladin Energy Limited

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