

HD **Paladin sells mine stake for \$US190m**

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WC 401 words

PD 24 July 2014

SN Business News

SC WABN

LA English

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Perth-based Paladin **Energy**'s long-persisted **sale** of a 25 per cent **stake** in its flagship Langer Heinrich **uranium** mine in Namibia has been settled with **China** National Nuclear Corporation for \$US190 **million**.

Paladin said the joint venture would ensure, with increasing **uranium** prices, the long term growth and development of the **mining** operation as **uranium** supply is an essential element for CNNC's **operations**.

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"Paladin is pleased to have been able to attract CNNC as a joint-venture partner, given the stature of this highly regarded organisation in **China** and internationally and given its ability to develop, build and operate nuclear power plants," Paladin said in a statement.

"CNNC has a full range of nuclear-technology industries and plays an important role in developing national nuclear power and related power plants."

CNNC conducts scientific research and development, construction and operation in fields such as nuclear power, nuclear fuel cycle, nuclear technology application and nuclear environmental engineering.

Paladin has been looking to offload a minority **stake** in Langer Heinrich for almost a year in order to shore up its balance sheet, which took a hit from the persistently low **uranium** prices last year.

The **company** said with the joint venture arrangement now completed, the door has been opened to seek other opportunities within the **uranium** industry to strengthen its balance sheet.

"The significant cash injection from this minority interest **sale** will largely be applied to debt reduction," Paladin chief executive officer John Borshoff said.

"This will help stabilise the **company**'s balance sheet, establishing an incredibly strong platform that will enable us to maximise the value of our assets and ensure increased production of much needed **uranium** once the price is sufficient to support the planned future growth of nuclear **energy** in **China** and elsewhere."

Paladin also announced today that it had entered into agreements with its existing lenders to refinance the Langer Heinrich project by paying \$US30.8 **million**, taking the outstanding balance to \$US70 **million**.

"Paladin continues to focus on ways to reduce the **company**'s overall debt levels and this represents another step in the process," Mr Borshoff said.

Paladin has been advised by financial advisers JP Morgan and Leonardo & Co, and by legal advisers Herbert Smith Freehills.

The **company**'s share price rose by 1.9 per cent to 37.2 cents per share at 10:10am.

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

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AN Document WABN000020140724ea7o0002t