



**HD** FED:Paladin shares up on Langer Heinrich **sale**  
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**LP**

PALADIN PERTH, Jan 20 AAP - Paladin shares have jumped six per cent after the **uranium** miner announced it will sell a 25 per cent **stake** in its Langer Heinrich mine in Namibia to **China Uranium** Corporation for \$US190 **million** (\$A217.18 **million**).

The **sale** will be largely used to pay down debt as the **uranium** price hovers around record lows.

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At 1110 AEDT Paladin shares were three cents, or 6.2 per cent, higher at 60 cents.

The Perth-based **uranium** producer had been looking for a buyer for a minority **stake** in its flagship Langer Heinrich **uranium** mine to improve its balance sheet, following a \$40 **million** loss in the September quarter.

Paladin said the deal with **China Uranium** Corporation Limited, a wholly owned subsidiary of **China** National Nuclear Corporation (CNNC), would allow CNNC to **purchase** its pro-rata share of product at the prevailing market spot price.

CNNC has agreed to pay a \$US20 **million** non-refundable deposit.

Completion of the transaction is subject to **Chinese** regulatory approvals, including approval by the National Development and Reform Commission, which is expected to be obtained by mid-2014.

Paladin managing director John Borshoff said the **company** had conducted an exhaustive and wide-ranging **sale** process.

"The significant cash injection from this minority interest **sale** will largely be applied to debt reduction, which the board considers an essential step during a time of unprecedented low **uranium** prices," Mr Borshoff said.

"This will help stabilise the **company**, 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."

Director-in-General of CNNC Du Yunbin said CNNC was looking forward to having "further prosperous co-operation" with Paladin.

It comes after Paladin's shares rose eight per cent on Friday after announcing it will save more than \$67 **million** after refinancing its debt facility.

Paladin's finance facilities for the Langer Heinrich **uranium** mine in Namibia and its Kayelekera mine in Malawi have both been refinanced, leading to a \$US59 **million** reduction in debt repayments over the 2014/15 calendar years.

Langer Heinrich has a current design capacity of 5.2 **million** pounds of **uranium** concentrate per annum.

Paladin is targeting 5.7 **million** pounds of production in fiscal 2014, with a 20-year mine life.

The **company** says the mine is capable of being expanded further to produce about 8.5 **million** pounds per annum.

AAP krc/gfr

**CO** chinuc : China National Nuclear Corp.

**IN** i211 : Metal Ore Mining | iuran : Uranium Ore Mining | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying | i16 : Electricity/Gas Utilities | i16101 : Electric Power Generation | i1610109 : Electric Power Generation - Nuclear | ieutil : Electric Utilities | iutil : Utilities

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