



## PALADIN ENERGY LTD

ACN 061 681 098

Paladin Energy Limited ('Paladin')  
Registration No. ACN 061 681 098  
Registered as an external company in Namibia  
ISIN Code: AU000000PDN8  
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### Paladin Energy to acquire Fission Uranium creating a clean energy leader

Paladin Energy Limited (ASX:PDN OTCQX:PALAF) ("**Paladin**") and Fission Uranium Corp. (TSX:FCU OTCQX:FCUUF FSE:2FU) ("**Fission**") are pleased to announce they have entered into a definitive arrangement agreement (the "**Agreement**"), pursuant to which Paladin will acquire 100% of the issued and outstanding shares of Fission ("**Fission Shares**") by way of a court approved plan of arrangement under the Canada Business Corporation Act (the "**Transaction**").

#### Transactions Highlights

- Fission shareholders will receive 0.1076 fully paid shares of Paladin ("**Paladin Shares**") for each Fission share held at the closing of the Transaction (the "**Offer Consideration**").
- The Offer Consideration represents:
  - an implied value of C\$1.30 per Fission Share<sup>1</sup>;
  - an implied equity value of C\$1,140 million<sup>2</sup>;
  - a 25.8% premium to the closing price of the Fission Shares on the TSX (C\$1.03) on 21 June 2024; and
  - a 30.0% premium to the 20-day Volume Weighted Average Price ("**VWAP**") of the Fission Shares on 21 June 2024<sup>3</sup>.
- Upon completion of the Transaction, Fission shareholders will own 24.0% of Paladin<sup>4</sup>, which will have a pro-forma market capitalisation of approximately US\$3.5 billion<sup>5</sup>.
- Paladin has applied for listing of the Paladin Shares on the Toronto Stock Exchange ("**TSX**") concurrent with completion of the Transaction, such that Fission shareholders will receive TSX-listed Paladin Shares.
- Fission's Board of Directors, following the unanimous recommendation by its special committee of independent directors (the "**Special Committee**"), and in consultation with Fission's financial and legal advisors, recommends that Fission shareholders vote in favour of the Transaction.

<sup>1</sup> Based on the exchange ratio under the Agreement, being 0.1076 of a Paladin Share for each Fission Share (the "Exchange Ratio") multiplied by the closing price of the Paladin Shares on the ASX of A\$13.24 on 21 June 2024, and converted to C\$12.04 using AUD/CAD exchange rate as of 21 June 2024, being 0.91.

<sup>2</sup> Based on the closing price of the Paladin Shares on the ASX of A\$13.24 on 21 June 2024 converted to C\$12.04 using AUD/CAD exchange rate as of 21 June 2024 being 0.91, and 95 million Paladin Shares issued using Fission's 880 million fully diluted shares based on the treasury stock method and the exchange ratio under the Agreement of 0.1076.

<sup>3</sup> Based on the 20-day VWAP of the Fission Shares on the TSX of C\$1.09 and the 20-day VWAP of the Paladin Shares on the ASX of A\$14.52, and converted to C\$13.21 using the spot exchange rate AUD/CAD in effect on each trading day.

<sup>4</sup> Fully diluted ownership based on the expected Paladin Shares issued and outstanding immediately following completion of the Transaction.

<sup>5</sup> Based on the expected Paladin Shares issued and outstanding immediately following completion of the Transaction and the closing price of the Paladin Shares on the ASX of A\$13.24 on 21 June 2024, converted to US\$8.79 using the AUD/USD exchange rate as of 21 June 2024, being 0.66.

- Cantor Fitzgerald has provided an opinion to the Special Committee to the effect that, as of the date thereof, and based upon and subject to the assumptions, limitations and qualifications stated in such opinion, the Offer Consideration is fair, from a financial point of view to the Fission shareholders. SCP Resource Finance has provided an opinion to the Board of Directors of Fission, stating that as of the date of such opinion, based upon and subject to the assumptions, limitations and qualifications set forth therein, the Offer Consideration to be received by Fission shareholders under the Transaction is fair, from a financial point of view to Fission shareholders.
- Directors and members of senior management of Fission holding 0.7% of the outstanding Fission Shares have entered into voting support arrangements with Paladin pursuant to which they have agreed to vote their Fission Shares in favour of the Transaction at the special meeting of shareholders to be called by Fission to approve the Transaction (the “**Fission Meeting**”).
- The Transaction is targeted to close in the September 2024 quarter (subject to satisfaction of all conditions under the Agreement).

The combination of Paladin and Fission will create a clean energy leader and will deliver the following benefits to both Paladin and Fission shareholders:

- Enhanced project development pipeline.
- Multi-asset production expected by 2029.
- Diversified presence across leading uranium mining jurisdictions of Canada, Namibia and Australia.
- Increased exposure to highly attractive long term uranium fundamentals.
- Increased scale and global profile of Paladin with TSX listing.

The Transaction will also deliver several direct benefits to Fission shareholders:

- Attractive 30.0% premium to Fission’s 20-Day VWAP<sup>6</sup> and the ability to participate in the upside of Paladin.
- Meaningful 24.0% ownership in a global, multi-asset uranium company with exposure to the producing Langer Heinrich Mine (“**LHM**”).
- Continued exposure to the Patterson Lake South project’s (“**PLS**”) future operational profile and exploration upside.
- De-risk Fission’s PLS development funding, underpinned by LHM production and customer offtake contract book.
- Opportunity to retain TSX-listed shares in a leading ASX100 growth-focused uranium company providing increased trading liquidity and an enhanced capital markets presence.

**Paladin CEO Ian Purdy commented:**

*“The acquisition of Fission, along with the successful restart of our Langer Heinrich Mine, is another step in our strategy to diversify and grow into a global uranium leader across the top uranium mining jurisdictions of Canada, Namibia and Australia.*

*Fission is a natural fit for our portfolio with the shallow high-grade PLS project located in Canada’s Athabasca Basin. The addition of PLS creates a leading Canadian development hub alongside Paladin’s Michelin project, with exploration upside across all Canadian properties.*

*Both sets of shareholders are expected to benefit from the increased scale of the enlarged company, with a combined Mineral Resource representing one of the largest amongst pure-play uranium companies globally and a substantially increased international capital markets exposure. The Transaction also de-risks the development of PLS for Fission shareholders, underpinned by LHM production and Paladin’s leading offtake contract book. Paladin will bring the required investment to PLS in order to advance it towards production.”*

**Fission President and CEO Ross McElroy commented:**

*“The combination of Fission and Paladin will create a world class diverse uranium producer, adding a class leading development project in a Tier 1 jurisdiction with the ability to expand production and cash flow profiles in the near term. With commercial production at Langer Heinrich and further development milestones at PLS, this opportunity will create a diverse pureplay uranium company with current production and a deep pipeline of near and mid-term assets available to investors.*

*The culture and assets between Fission and Paladin are very complimentary. Shareholders will have exposure to a producing asset with a long life of mine, located in a politically stable and globally significant uranium jurisdiction with a long history of uranium production, coupled with Fission’s advanced stage, large, near surface, high-grade Triple R deposit at its PLS project located in Canada’s renowned Athabasca Basin.*

*This arrangement significantly de-risks the mine-building financing at PLS, with the cash flow generation at Langer Heinrich and a strong balance sheet creating an opportunity to significantly fund the development of PLS through debt and internally generated cash flows with limited further equity dilution.”*

The full announcement can be viewed at the following link:

<https://www.paladinenergy.com.au/wp-content/uploads/2024/06/61212801.pdf>

By order of the Board of Directors

Jeremy Ryan  
Company Secretary

24 June 2024

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**Sponsor**

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