

Form 604

Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Valhalla Uranium Ltd (Valhalla)

ACN/ARSN 116 370 720

1. Details of substantial holder (1)

Name Paladin Resources Ltd (ACN 061 681 098) (Paladin) and each of the entities listed in Annexure "A" (Paladin Group Entities).

ACN (if applicable) See Annexure "A"

There was a change in the interests of the substantial holder on 27/10/06

The previous notice was given to the company on 05/10/2006

The previous notice was dated 05/10/2006

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interest in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary shares	117,720,515	98.10% (based on 120,000,000 ordinary shares on issue)	120,000,000	100% (based on 120,000,000 ordinary shares on issue)

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
13/10/06	Paladin	Transfer of shares which were the subject of acceptances of Paladin's offer to acquire Valhalla shares on the same terms as the takeover offers made by Paladin dated 2 August 2006 which were included in its bidder's statement dated 24 July 2006, which takeover offers closed for acceptance on 15 September 2006 (the Offers) (See Annexure B) so that Paladin is now the registered holder of those shares.	1 Paladin ordinary share for every 3.16 Valhalla ordinary shares, subject to the terms of the Offers	422,813 ordinary shares	422,813
27/10/06	Paladin	Transfer of shares which were the subject of compulsory acquisition by Paladin of all remaining Valhalla shares into the name of Paladin so that Paladin is now registered as the holder of those shares.	1 Paladin ordinary share for every 3.16 Valhalla ordinary shares, subject to the terms of the Offers	2,176,443 ordinary shares	2,176,443

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Paladin	Paladin	Paladin	Relevant interest under section 608(1) of the Corporations Act 2001, being a relevant interest arising through Paladin being the registered holder of the shares.	120,000,000 ordinary shares	120,000,000

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN (if applicable)	Nature of association
Valhalla Uranium Limited ACN 116 370 720, Mt Isa Uranium Pty Ltd ACN 064 536 483 and Northern Territory Uranium Pty Ltd ACN 009 245 345	Valhalla Uranium Limited, Mt Isa Uranium Pty Ltd and Northern Territory Uranium Pty Ltd are each associates of Paladin and each Paladin Group Entity by virtue of section 12(2)(a) of the Corporations Act 2001 as the entities are related bodies corporate of Paladin and each Paladin Group Entity.

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Paladin	Grand Central, 1st Floor, 26 Railway Road, Subiaco, WA 6008
Each Paladin Group Entity (other than Valhalla Uranium Limited)	Care of: Grand Central, 1st Floor, 26 Railway Road, Subiaco, WA 6008
Valhalla Uranium Limited	4th Floor, BGC Centre, 28 The Esplanade, Perth, WA 6000

Signature

print name **Gillian Swaby**

capacity **Company Secretary**

sign here



date **31/10/2006**

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
 - (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
 - (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
 - (4) The voting shares of a company constitute one class unless divided into separate classes.
 - (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
 - (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
 - (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
 - (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
 - (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.
-

Annexure “A”

This is Annexure “A” of 1 page referred to in the Form 604 (Notice of Change of Interests of Substantial Holder), signed by me and dated 31 October 2006.



Company Secretary

Paladin Group Entities

ENTITY	ACN (if applicable)
Etron Properties Pty Ltd	ACN 727 935 934
Eden Creek Pty Ltd	ACN 008 958 610
Paladin Energy Minerals NL	ACN 073 700 939
Paladin Finance Pty Ltd	ACN 117 234 278
Paladin (Africa) Ltd	n/a
Kayelekera Jersey Holdings Limited	n/a
Langer Heinrich Mauritius Holdings Limited	n/a
Langer Heinrich Uranium (Pty) Ltd	n/a
Tarquin Investments (Pty) Ltd	n/a
Valhalla Uranium Limited	ACN 116 370 720
Mt Isa Uranium Pty Ltd	ACN 064 536 483
Northern Territory Uranium Pty Ltd	ACN 009 245 345

Annexure "B"

This is Annexure "B" of 1 page referred to in the Form 604 (Notice of Change of Interests of Substantial Holder), signed by me and dated 31 October 2006.



Company Secretary

Takeover Offer and Acceptance Contract terms

The terms of the Acceptance Contracts are the same as those terms applicable to the takeover offers made by Paladin dated 2 August 2006 which offers were contained in:

- section 12 of the bidder's statement dated 24 July 2006 issued by Paladin and as amended and supplemented by the supplementary bidder's statement dated 7 September 2006 issued by Paladin; and
- notice of variation dated 31 August 2006 issued by Paladin.

Copies of the above documents are available from the ASX website: www.asx.com.au.