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PALADIN LIMITED

*(Incorporated in Bermuda with limited liability)
(Stock code: 495 and 642 (Preference Shares))*

RESULTS OF THE OPEN OFFER OF CONVERTIBLE NOTES WITH AN ORDINARY SHARE ALTERNATIVE

The Board announces that all of the conditions set out in the Underwriting Agreement have been fulfilled and the Open Offer has become unconditional at 12:00 noon on 14 November, 2014.

As at 4:00 p.m., 12 November, 2014, being the latest time for application, and payment, for the Convertible Notes or Ordinary Shares in assured allotments and in excess of assured allotments, (a) 7 valid applications were received for the Convertible Notes in assured allotments of an aggregate principal amount of HK\$68,983,668.25, and 10 applications for the Convertible Notes in excess of assured allotments of an aggregate principal amount of HK\$98,166,909.00 were received; and (b) 58 valid applications were received for a total of 41,236,560 Ordinary Shares in assured allotments.

Each of Gold Seal Holdings Limited, Mr. Oung Da Ming and Dr. Oung Shih Hua, James subscribed for an aggregate principal amount of HK\$11,848,667, HK\$6,250,000 and HK\$875,000 Convertible Notes, respectively in accordance with the respective irrevocable undertakings given by them.

43 applications were received for a total of 1,399,989,497 Ordinary Shares in excess of assured allotments but concerns have been raised about them and no allocations have yet been made in respect of those excess applications and the Company has initiated inquiries with the Stock Exchange, its professional advisers and Computershare Hong Kong Investor Services Limited about them. Applicants on EAFs who wish to withdraw their application may do so.

INTRODUCTION

Reference is made to the announcement dated 26 September, 2014 and the open offer offering document of Paladin Limited (the “**Company**”) dated 29 October, 2014 (the “**Offering Document**”) in relation to the Open Offer. Unless otherwise stated, capitalised terms used herein shall have the same meanings as defined in the Offering Document.

RESULTS OF THE OPEN OFFER

Assured allotments

The Board is pleased to announce that as at 4:00 p.m., 12 November, 2014, being the latest time for application, and payment, for the Convertible Notes or Ordinary Shares in assured allotments and in excess of assured allotments, 7 valid applications were received for the Convertible Notes in assured allotments of an aggregate principal amount of HK\$68,983,668.25, and 58 valid applications were received for a total of 41,236,560 Ordinary Shares in assured allotments.

Each of Gold Seal Holdings Limited, Mr. Oung Da Ming and Dr. Oung Shih Hua, James subscribed for an aggregate principal amount of HK\$11,848,667, HK\$6,250,000 and HK\$875,000 Convertible Notes, respectively in accordance with the respective irrevocable undertakings given by them.

Excess applications

10 applications for Convertible Notes in excess of assured allotments of an aggregate principal amount of HK\$98,166,909.00 were received. 43 applications were received for a total of 1,399,989,497 Ordinary Shares in excess of assured allotments. The Board is considering the validity of those applications and how to make equitable allocations amongst them.

The Board is concerned about some of those excess applications including but not limited to some applications on EAFs which are for in excess of 100% of the entire amount of Ordinary Shares available in the Open Offer, and that allocations based only on the amounts applied for may result in treatment that is not equitable. No allocations have yet been made in respect of applications on EAFs and the Company has initiated inquiries with the Stock Exchange, its professional advisers and Computershare Hong Kong Investor Services Limited about them, the treatment of those applications and the best way of achieving an equitable allocation for EAF applicants. While the Board seeks to resolve the concerns on the excess applications as soon as practicable, in order not to prejudice applicants the Board has determined to allow applicants on EAFs who wish to do so to withdraw their applications, and the application money sent with those applications will be refunded on application, by writing to the

Company at Suite 2304, 23rd Floor, Sun Life Tower, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong. In addition, to ensure that if necessary the underwriting arrangements in respect of the Open Offer remain in place in the event that some or all of the applications on EAFs are rejected or scaled down and this results in certain Convertible Notes not being taken up under the Open Offer, Gold Seal Holdings Limited has agreed to extend the date by which it may be required to take up Convertible Notes under the Underwriting Agreement to a date selected by the Company, being on or before 31 December, 2014.

DESPATCH OF CERTIFICATES AND REFUND CHEQUES

It is expected that certificates for the Convertible Notes and the Ordinary Shares in the Share Alternative in respect of valid applications on AAFs under the Open Offer will be despatched to the relevant Shareholders by post to their registered addresses on or before 24 November, 2014.

Dealings in the Ordinary Shares in the Share Alternative allotted to applicants on AAFs are expected to commence on the Stock Exchange at 9:00 a.m. on 25 November, 2014.

REVISED TIMETABLE

Given that the concerns with the EAFs are yet to be resolved, certificates for the Convertible Notes and the Ordinary Shares in the Share Alternative in respect of applications on EAFs, and refund cheques will not be despatched to the relevant Shareholders on 21 November, 2014 but will be postponed to a date expected to be no later than 3 December, 2014, and dealings in the Ordinary Shares allotted to applicants on EAFs are expected to commence on the Business Day immediately following the despatch of relevant share certificates. A revised timetable relating to (i) the despatch of certificates for the Convertible Notes and the Ordinary Shares in the Share Alternative in respect of valid applications on EAFs under the Open Offer; (ii) posting of refund cheques in respect of wholly or partially unsuccessful applications for excess Convertible Notes and, or Ordinary Shares in the Share Alternative; and (iii) commencement of trading in the Ordinary Shares allotted to applicants on EAFs will be announced as soon as the concerns with the EAFs are resolved.

By order of the Board
Paladin Limited
Oung Shih Hua, James
Chairman

Hong Kong, 20 November, 2014

As at the date of this announcement, the Chairman and executive director of the Company is Dr. Oung Shih Hua James; the two non-executive directors of the Company are Mr. Yuen Chi Wah and Mr. Chan Chi Ho; and the independent non-executive directors of the Company are Mr. Zhu Pei Qing, Mr. Kwok Wai Chi and Professor Huang Weizong Martin.