PALADIN LIMITED

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

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR, A CHAIRMAN OF AUDIT COMMITTEE, A CHAIRMAN OF REMUNERATION COMMITTEE, A MEMBER OF NOMINATION COMMITTEE AND CHANGES IN COMPOSITION OF THE BOARD COMMITTEES

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Paladin Limited (the "**Company**") wishes to announce that Mr. Kwok Wai Chi ("**Mr. Kwok**") has resigned as an independent non-executive director, a chairman of the audit committee, a chairman of the remuneration committee and a member of the nomination committee of the Company with effect from 31 July 2015 due to his other business commitments. Mr. Kwok has confirmed that he has no disagreement with the board of directors of the Company (the "**Board**") and there is no matter relating to his resignation that needs to be brought to the attention of The Stock Exchange of Hong Kong Limited and the shareholders of the Company.

Following the retirement of Mr. Kwok, the Company currently has only two independent non-executive directors, which falls below the minimum number required under Rule 3.10(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). In addition, given that the remaining two independent non-executive directors do not possess the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules, the resignation of Mr. Kwok further constitutes non-compliance with Rule 3.10(2) of the Listing Rules.

In order to fulfill the requirements of Rule 3.10(1) and 3.10(2) of the Listing Rules, the Company is endeavoring to identify and appoint a new independent non-executive director of the Company as soon as practicable and in any event within three months from 31 July 2015, and will make further announcement as and when appropriate.

The Company would also like to express its sincere appreciation to Mr. Kwok for his valuable contribution to the Company during his tenure of service as an independent non-executive director of the Company.

CHANGE IN COMPOSITION OF BOARD COMMITTEES

Dr. Au Chik Lam Alexander, an independent non-executive director and members of audit committee and remuneration committee, is appointed as the chairman of the audit committee and the remuneration committee of the Company with effect from 31 July 2015.

LIST OF DIRECTORS AND THEIR ROLES AND FUNCTIONS

Following the abovementioned changes, the compositions of the Board, the Audit Committee, the Remuneration Committee and the Nomination Committee will be as follows:

Executive Director

Dr. Oung Shih Hua, James *(Chairman)*

Non-executive Directors

Mr. Chan Chi Ho
Mr. Yuen Chi Wah

Independent non-executive Directors

Professor Huang Weizong Martin
Dr. Au Chik Lam Alexander

The details of the current membership of the committees are set out below:

Audit committee	Remuneration committee	Nomination committee
Dr. Au Chik Lam Alexander *(Chairman)*	Dr. Au Chik Lam Alexander *(Chairman)*	Dr. Oung Shih Hua, James *(Chairman)*
Professor Huang Weizong Martin	Professor Huang Weizong Martin	Professor Huang Weizong Martin
Mr. Chan Chi Ho	Dr. Oung Shih Hua James	Dr. Au Chik Lam Alexander

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

Hong Kong, 31 July 2015

As at the date of this announcement, the Chairman and executive director of the Company is Dr. Oung Shih Hua James; the 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 Dr. Au Chik Lam Alexander and Professor Huang Weizong Martin.