

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	Audalia Resources Limited
ABN	49 146 035 690

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Mr Brent Butler
Date of last notice	27 November 2015

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Registered holder: Megan Holdings Pty Ltd <The Butler Investment A/C>. Mr Butler is a director and shareholder of the company which is the trustee of the trust.
Date of change	24 December 2015.
No. of securities held prior to change	Indirect interest 500,000 fully paid ordinary shares.
Class	Shares.
Number acquired	2,000,000 fully paid ordinary shares.
Number disposed	Not applicable.
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Nil.

+ See chapter 19 for defined terms.

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<p>No. of securities held after change</p>	<p><i>Indirect interest</i> 2,500,000 fully paid ordinary shares.</p>
<p>Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</p>	<p>Issue of shares pursuant to a consultancy agreement between the Company and the CEO dated 14 April 2015 following the successful completion of a milestone.</p> <p>Approval for the issue of shares was received from shareholders at the AGM held on 27 November 2015.</p>

+ See chapter 19 for defined terms.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Consultant Agreement between Mr Butler and Audalia Resources.
Nature of interest	The Company will, subject to achieving the agreed milestones and subject to the requirements of the Listing Rules of the ASX, grant up to 4,000,000 fully paid ordinary shares to or for the benefit of Mr Butler as a long term incentive.
Name of registered holder (if issued securities)	Mr Butler (or his nominee).
Date of change	24 December 2015.
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	Up to 4,000,000 fully paid ordinary shares.
Interest acquired	Not applicable
Interest disposed	Not applicable
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	Nil
Interest after change	Up to 2,000,000 fully paid ordinary shares. Refer to Part 1 of this notice for details of 2,000,000 fully paid ordinary shares issued under the contract following the successful completion of a milestone and pursuant to shareholder approval granted at AGM.

Part 3 – +Closed period

Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	Not Applicable
If prior written clearance was provided, on what date was this provided?	Not Applicable

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