

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 30/9/2001.

Name of entity	ALARA URANIUMLIMITED (AUQ)
ABN	27 122 892 719

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	HEM SHANKER MADAN
Date of last notice	24 May 2007

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

Direct or indirect interest	Direct / Indirect	
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	MR HEM SHANKER MADAN & MRS ANUPAM SHOBHA MADAN <THE AS AND HS MADAN S/F A/C>	
Class	Ordinary fully paid shares	Options (with exercise price of 25 cents and expiring on 30 June 2009)
Date of change	-	5 October 2007
No. of securities held prior to change	184,983	-
Number acquired	-	138,736
Number disposed	-	-
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	-	\$1,387.36
No. of securities held after change	184,983	138,736
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	-	Subscription and issue under the Company's Options Prospectus dated 3 September 2007

Part 2 – Change of director's interests in contracts

Detail of contract	Not Applicable
Nature of interest	Not Applicable
Name of registered holder (if issued securities)	Not Applicable
Date of change	Not Applicable
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>	Not Applicable
Interest acquired	Not Applicable
Interest disposed	Not Applicable
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	Not Applicable
Interest after change	Not Applicable

Signature of Director: *-----
Shanker Madan

Date: 11 October 2007