

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	JOHN FRANCIS STEPHENSON
Date of last notice	15 August 2008

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		Direct
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Securities registered in the name of: John Francis Stephenson & Susan Margaret Franklin <Stephenson Franklin FMY A/C>		John Francis Stephenson
Class	Ordinary fully paid shares	Listed Options (with exercise price of 25 cents and expiring on 30 June 2009)	Unlisted Director's Options (with exercise price of 35 cents and expiring on 16 September 2013)
Date of change	-	-	17 September 2008
No. of securities held prior to change	217,072	135,000	-
Number acquired	-	-	900,000
Number disposed	-	-	-
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	-	-	Nil
No. of securities held after change	217,072	135,000	900,000
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	-	-	Issue of unlisted directors' options pursuant to shareholder approval on 17 September 2008

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: *-----
John Stephenson

Date: 24 September 2008