

WAIVER FROM LISTING RULE 6.24

ANNOUNCEMENT

21 MARCH 2014

Audalia Resources Limited (ASX: ACP) advises that it has been granted a waiver from ASX Listing Rule 6.24 to the extent necessary to permit the Company not to send option expiry notices required by paragraph 6.1 of Appendix 6A, in relation to 6,830,004 options exercisable at \$0.20 each on or before 28 April 2014 (ASX Code ACPO).

Expiry of Options

Audalia has on issue 6,830,004 options exercisable at \$0.20 each on or before 28 April 2014 (ACPO). The Options are quoted on ASX.

The basis for the application of the waiver was the differential between the current share price and the option exercise price. The Company's shares are currently trading at \$0.09 and have not exceeded 75% of the Option exercise price in the past 6 months. The Options are out of the money and the likelihood of Option holders exercising the Options is remote and does not justify the cost of preparing and mailing out the notices. Consequently, the Company will not send out notices to the Option holders. ASX has granted the waiver on the condition that the notice will be sent if there is a substantial increase in the trading price of securities.

In accordance with Clause 6.1 of Appendix 6A and the conditions of the waiver, the Company provides the following information:

1. The number of Options to which this notice applies is 6,830,004;
2. The Options expire at 5.00 pm (WST) on Monday, 28 April 2014;
3. The exercise price for each option is \$0.20;
4. On exercise, each Option entitles the holder to receive 1 fully paid ordinary share in the capital of the Company;
5. If payment is not received by 5.00 pm (WST) on 28 April 2014, the Options will lapse and all rights under the Options will cease;
6. Quotation of the Options will cease at close of trading on Wednesday, 16 April 2014; and
7. The latest available market share price on the ASX as at the close of trading on 20 March 2014 was \$0.09.

Authorised by:

Karen Logan
Company Secretary