

Appendix 3Y

Change of Director's Interest Notice

Name of entity	PHYLOGICA LIMITED
ABN	48 098 391 961

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	PAUL MICHAEL WATT
Date of last notice	6 May 2009

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.	PAUL MICHAEL WATT AND MARIA DEL PILAR ENRIQUEZ-WATT ATF THE BRAINCHILD SUPER FUND INTEREST: TRUSTEE & FUND BENEFICIARY
Date of change	19 JANUARY 2010
No. of securities held prior to change	DIRECT 4,044,123 ORDINARY SHARES INDIRECT 732,908 ORDINARY SHARES
Class	ORDINARY SHARES
Number acquired	40,000
Number disposed	NIL
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	\$4,910
No. of securities held after change	DIRECT 4,084,123 ORDINARY SHARES INDIRECT 732,908 ORDINARY SHARES 20,000 CONVERTIBLE NOTES
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	ON MARKET PURCHASE OF SHARES

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	
Nature of interest	
Name of registered holder (if issued securities)	
Date of change	
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	
Interest acquired	
Interest disposed	
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	
Interest after change	