

# 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

|                       |                                   |
|-----------------------|-----------------------------------|
| <b>Name of entity</b> | <b>Valence Industries Limited</b> |
| <b>ABN</b>            | <b>41 008 101 979</b>             |

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.

|                            |                            |
|----------------------------|----------------------------|
| <b>Name of Director</b>    | Ian Stanley <b>SCHACHE</b> |
| <b>Date of last notice</b> | 18 November 2014           |

### 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.

|                                                                                                                                                          |                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Direct or indirect interest</b>                                                                                                                       | Indirect                                                                                                                                                                                                  |
| <b>Nature of indirect interest<br/>(including registered holder)</b><br>Note: Provide details of the circumstances giving rise to the relevant interest. | Mr Ian Stanley Schache & Mrs Kambai Schache as trustees for the Schache Superannuation Fund. Mr Schache and his spouse are trustees of the trust and Mr Schache is a beneficiary of the trust.            |
| <b>Date of change</b>                                                                                                                                    | 19 February 2015                                                                                                                                                                                          |
| <b>No. of securities held prior to change</b>                                                                                                            | 214,286 Shares                                                                                                                                                                                            |
| <b>Class</b>                                                                                                                                             | <ul style="list-style-type: none"><li>- Shares - fully paid ordinary shares</li><li>- Unlisted Options - unlisted options with an exercise price of \$1.10 and expiry of 31 July 2017 – vested.</li></ul> |
| <b>Number acquired</b>                                                                                                                                   | 500,000 Unlisted Options                                                                                                                                                                                  |
| <b>Number disposed</b>                                                                                                                                   | Nil                                                                                                                                                                                                       |
| <b>Value/Consideration</b><br>Note: If consideration is non-cash, provide details and estimated valuation                                                | Nil                                                                                                                                                                                                       |

+ See chapter 19 for defined terms.

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|                                                                                                                                                                             |                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| <b>No. of securities held after change</b>                                                                                                                                  | 214,286 Shares<br>500,000 Unlisted Options                                       |
| <b>Nature of change</b><br>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back | Issue as approved by shareholders at a general meeting held on 19 February 2015. |

### 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.

|                                                                                                                                                                              |                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>Detail of contract</b>                                                                                                                                                    | Not Applicable |
| <b>Nature of interest</b>                                                                                                                                                    |                |
| <b>Name of registered holder (if issued securities)</b>                                                                                                                      |                |
| <b>Date of change</b>                                                                                                                                                        |                |
| <b>No. and class of securities to which interest related prior to change</b><br>Note: Details are only required for a contract in relation to which the interest has changed |                |
| <b>Interest acquired</b>                                                                                                                                                     |                |
| <b>Interest disposed</b>                                                                                                                                                     |                |
| <b>Value/Consideration</b><br>Note: If consideration is non-cash, provide details and an estimated valuation                                                                 |                |
| <b>Interest after change</b>                                                                                                                                                 |                |

### Part 3 – <sup>+</sup>Closed period

|                                                                                                                                                               |    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| <b>Were the interests in the securities or contracts detailed above traded during a <sup>+</sup>closed period where prior written clearance was required?</b> | No |
| <b>If so, was prior written clearance provided to allow the trade to proceed during this period?</b>                                                          |    |
| <b>If prior written clearance was provided, on what date was this provided?</b>                                                                               |    |

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<sup>+</sup> See chapter 19 for defined terms.