

AuDAX Resources Ltd

ABN 50 009 058 646

**HALF-YEAR FINANCIAL REPORT
FOR THE PERIOD ENDED
31 DECEMBER 2008**

AUDAX RESOURCES LTD

CORPORATE DIRECTORY

Directors

Gary Roper (Chairman)
Wolfgang Zimmer (Managing Director)
Paul Fink (Technical Director)

Company Secretary

Peter Ironside

Registered and Principal Office

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610 Murray Street
West Perth, Western Australia 6005
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Kundratstrasse 6/2/1, A 1100
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Share Registry

Computershare Investor Services Pty Ltd
45 St George's Terrace
Perth, Western Australia 6000
Telephone: +61 8 9323 2001
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Solicitors

Freehills
250 St George's Terrace
Perth, Western Australia 6000

Bankers

National Australia Bank
50 St George's Terrace
Perth, Western Australia 6000

Stock Exchange Listing

Australian Stock Exchange
2 The Esplanade
Perth, Western Australia 6000
ASX Code: ADX

Auditors

Rothsay Chartered Accountants
Level 18, 6 O'Connell St
Sydney NSW 2000

AUDAX RESOURCES LTD

DIRECTORS' REPORT

Your Directors submit their report for the half-year ended 31 December 2008.

DIRECTORS

The names of Directors of the Company during or since the half-year and up to the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Name	Position
Mr Gary Roper	Executive Chairman
Dr Wolfgang Zimmer	Executive-Managing Director
Mr Paul Fink	Technical Director
Ms Gillian Evans	Non-Executive Director – resigned 14 October 2008

REVIEW AND RESULTS OF OPERATIONS

The review of the Company's operations during the half-year ended 31 December 2008 is as follows:

The net loss for the half-year ended 31 December 2008 was \$1,913,427 (2007: \$1,692,974).

Italy and Tunisia

In the offshore Sicily Channel license area (approximately 4,500 sqkm) which consists of the Kerkouane block in Tunisia and the Pantelleria block in Italy, respectively, the technical drilling preparation work for the two leading prospects Sambuca and Douga was completed. AuDAX holds a 70% interest in both licenses. In addition rig tender documents were completed with a view to participate in a rig share program with Cairn Energy PLC and Storm Ventures in 2009 to 2010. AuDAX also operated a seismic tender process on behalf of two other operators for 2D offshore seismic acquisition. Technical evaluation work identified a number of prospects and subsequent resource and risk assessment identified a P50 – un-risked recoverable resource potential in the two permits of approximately one billion barrels of oil equivalent.

In the onshore Chorbane license AuDAX holds a 100% interest subsequent to the withdrawal of Kairiki Energy (KIK). The transfer of KIK's interest to AuDAX's wholly owned subsidiary Alpine Oil & Gas Pty Ltd has been approved in principle by the Tunisian authorities and will become official in the near future once the PSC (Production Sharing Contract) is signed. Assumption of Kairiki's 50% interest fits AuDAX's corporate strategy of acquiring controlling interest in low to moderate risk prospects with moderate onshore drilling costs that have significant upside. Given the excellent prospectivity of the permit, AuDAX will be able to choose from a number of highly attractive and already identified prospects for the planned 2010 drilling campaign.

Romania

During the latter half of 2008 AuDAX, as operator of the Romanian AMI, completed a regional geological assessment based on available seismic, well log and field information in which the expected future potential of Romania's hydrocarbon provinces and producing horizons were ranked. This work then enabled a quick and rigorous assessment of the 'Bid Round 9' opportunities put forward by the Romanian authorities in late October 2008. Subsequent analysis performed by AuDAX deemed that none of the 'Bid Round 9' hydrocarbon fields on offer were material enough to warrant a bid. Consequently no bids were entered.

It is expected that the 10th bidding round, where prospective exploration acreage is to be offered by the Romanian government for competitive bid, will be announced by the middle of 2009.

Cooper Basin

Since assuming operatorship in May 2008, ADX has completed a thorough G&G review which resulted in the development of a prospects and leads inventory for the permit. The identification of both oil and gas leads will be used to optimise the location of the proposed 300km of new 2D seismic scheduled for permit year 2 and 3. To facilitate the desk-top studies and retain operational time on the permit year clock, a suspension of the permit was sought and granted by PIRSA with permit year 2 re-starting on the 1 March 2009 and ending on the 22 May 2009.

AUDAX RESOURCES LTD

DIRECTORS' REPORT

Mineral Interests - Australia

During the half-year the Company continued to maintain its various hard rock exploration projects while seeking farmout and joint venture opportunities. Marymia and Millrose have created the most interest and it is likely that these projects will be joint ventured in the short term.

Corporate Activities

In September 2008 the Company issued 22,222,222 shares at an issue price of 9 cents per share raising \$1,912,192.

In July 2008, the Company completed the acquisition of the Kerkouane permit in Tunisia. The acquisition cost for AuDAX' share was \$843,127.

The acquisition of the Pantelleria G.R15.PU permit in Italy was completed in October 2008. The cost for AuDAX was \$1,039,601.

SUBSEQUENT EVENTS

In February 2009, AuDAX signed a Memorandum of Understanding ('MOU') for the Sicily Channel Permits on behalf of the joint venture with PGS Overseas AS, Norway ('PGS') for participation in exploration of the offshore permit G.R15.PU (Pantelleria) within Italian waters and the contiguous offshore permit Kerkouane in Tunisian waters.

Under the MOU PGS would earn a 15% interest in the Permits from the joint venture partners on a pro-rata basis by paying 30% of a significant future exploration work program. The MOU is subject to a number of conditions precedent including the signing of a farm in agreement. The execution of the farm in agreement would be subject to PGS satisfactorily concluding due diligence, all necessary government approvals and formal documentation. The parties will use reasonable endeavours to execute the farm in agreement within three months of the date of the MOU.

No other matter or circumstance has arisen since 31 December 2008 that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity, in subsequent financial years.

AUDITOR'S INDEPENDENCE DECLARATION

The following is a copy of a letter received from the Company's auditors:

"Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

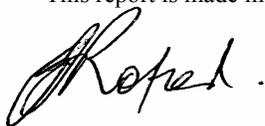
To: The Directors of AuDAX Resources Ltd

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2008, there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

Frank Vrachas
Lead Auditor
Rothsay Chartered Accountants"

This report is made in accordance with a resolution of the directors.



Gary J Roper
Chairman
PERTH, 16 March 2009

ROTHSAY

Level 18, 6 O'Connell Street, Sydney NSW 2000 G.P.O. Box 2759, Sydney NSW 2001
Phone 8815 5400 Facsimile 8815 5401 E-mail swan2000@bigpond.com

Independent Review Report to the Members of AuDAX Resources Ltd

The financial report and directors' responsibility

The interim consolidated financial report comprises the balance sheet, income statement, statement of changes in equity, cashflow statement, accompanying notes to the financial statements, and the directors' declaration for AuDAX Resources Ltd for the half-year ended 31 December 2008.

The Company's directors are responsible for the preparation and fair presentation of the consolidated financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim consolidated financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated financial position as at 31 December 2008 and the performance for the half year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of AuDAX Resources Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

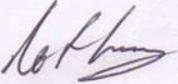
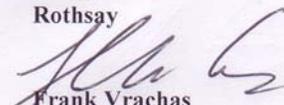
Independence

In conducting our review we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim consolidated financial report of AuDAX Resources Ltd is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the consolidated financial position as at 31 December 2008 and of the performance for the half-year ended on that date; and
- complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.


Rothsay

Frank Vrachas
Partner

Dated 16/3/09



Chartered Accountants

Liability limited by the Accountants Scheme, approved
under the Professional Standards Act 1994 (NSW).

AUDAX RESOURCES LTD
DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of AuDAX Resources Ltd, I state that:

In the opinion of the Directors:

- (a) The financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
 - (1) giving a true and fair view of the financial position as at 31 December 2008 and the performance for the half-year ended on that date of the consolidated entity; and
 - (2) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) There are reasonable grounds to believe the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Gary J Roper
Chairman

PERTH, 16 March 2009

AUDAX RESOURCES LTD
INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Note	Consolidated Half-year ended 31 Dec 2008 \$	Consolidated Half-year ended 31 Dec 2007 \$
Revenue and Income			
Interest Revenue		37,950	11,249
Other revenue		9,067	5,920
Gain on farmout of tenement		-	207,543
Gain on sale of land and buildings	4	-	945,104
		47,017	1,169,816
Expenses			
Depreciation		36,853	13,968
Labour costs, net of recoveries		167,094	130,000
Share based payments		218,063	-
Exploration expensed, net		585,729	-
Impairment of deferred exploration		628,357	2,485,709
Amortisation of deferred assets		50,000	-
Impairment of financial assets - shares		51,239	20,000
Loss on sale of financial assets - shares		-	26,300
Other administration expenses		223,109	186,813
		(1,960,444)	(2,862,790)
Loss before income tax		(1,913,427)	(1,692,974)
Income tax expense		-	-
Loss for the half-year attributable to members of AuDAX Resources Ltd		(1,913,427)	(1,692,974)
		Cents Per Share	Cents Per Share
Basic loss per share	2	(1.04)	(1.2)

AUDAX RESOURCES LTD

BALANCE SHEET AS AT 31 DECEMBER 2008

	Note	Consolidated As at 31 Dec 2008 \$	Consolidated As at 30 June 2008 \$
Current Assets			
Cash and cash equivalents	3	687,885	1,723,502
Trade and other receivables		464,963	510,437
Other financial assets at fair value		9,856	61,095
Other current assets		105,700	155,700
Total Current Assets		<u>1,268,404</u>	<u>2,450,734</u>
Non-Current Assets			
Receivables		38,227	34,076
Property, plant and equipment	4	73,963	91,028
Deferred exploration expenditure	5	6,772,326	3,242,737
Intangible assets	6	-	1,770,000
Total Non-Current Assets		<u>6,884,516</u>	<u>5,137,841</u>
Total Assets		<u>8,152,920</u>	<u>7,588,575</u>
Current Liabilities			
Trade and other payables		363,371	306,992
Interest-bearing liabilities		-	58,982
Provisions		33,803	27,053
Total Current Liabilities		<u>397,174</u>	<u>393,027</u>
Total Liabilities		<u>397,174</u>	<u>393,027</u>
Net Assets		<u>7,755,746</u>	<u>7,195,548</u>
Equity			
Issued capital	7	39,303,359	37,444,507
Reserves		4,152,610	3,537,837
Accumulated losses		(35,700,223)	(33,786,796)
Total Equity		<u>7,755,746</u>	<u>7,195,548</u>

AUDAX RESOURCES LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
CONSOLIDATED				
At 1 July 2007	29,400,807	3,205,262	(29,978,519)	2,627,550
Total income and expenses for the period	-	-	(1,692,974)	(1,692,974)
Issue of share capital, net of transaction costs	4,183,900	-	-	4,183,900
Share based payments	-	-	-	-
At 31 December 2007	33,584,707	3,205,262	(31,671,493)	5,118,476
Total income and expenses for the year	-	-	(2,115,303)	(2,115,303)
Issue of share capital, net of transaction costs	3,859,800	-	-	3,859,800
Share based payments	-	325,754	-	325,754
Currency translation differences	-	6,821	-	6,821
At 30 June 2008	37,444,507	3,537,837	(33,786,796)	7,195,548
Total income and expenses for the period	-	-	(1,913,427)	(1,913,427)
Issue of share capital, net of transaction costs	1,858,852	-	-	1,858,852
Currency translation differences	-	343,370	-	343,370
Share based payments	-	271,403	-	271,403
At 31 December 2008	39,303,359	4,152,610	(35,700,223)	7,755,746

AUDAX RESOURCES LTD
CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Half-year ended 31 Dec 2008 \$	Half-year ended 31 Dec 2007 \$
Cash Flows from Operating Activities		
Payments to suppliers	(800,206)	(537,797)
Receipts from suppliers	202,311	503,195
Interest received	37,950	17,452
Net Operating Cash Flows	(559,945)	(17,150)
Cash Flows from Investing Activities		
Proceeds from sale of equity investments	-	320,310
Proceeds from sale of property, plant and equipment	-	1,100,328
Payments for plant and equipment	(4,235)	-
Payments for capitalised exploration expenditure	(1,972,314)	(2,405,178)
Receipts from exploration partners	229,767	-
Payments made on behalf of joint venture partners	(585,357)	-
Net Investing Cash Flows	(2,332,139)	(984,540)
Cash Flows from Financing Activities		
Proceeds from issue of shares	1,999,992	1,303,900
Payment of share issue costs	(87,800)	-
Hire purchase repayments	(58,982)	(7,110)
Net Financing Cash Flows	1,853,210	1,296,790
Net Increase/(Decrease) In Cash and Cash Equivalents		
Cash and Cash Equivalents at beginning of half-year	1,723,502	398,634
Effect of foreign exchange rates	3,257	-
Cash and Cash Equivalents at End of Half-Year	687,885	693,734

AUDAX RESOURCES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

1. Basis of Preparation of Half-Year Financial Statements

This general purpose financial report for the half-year ended 31 December 2008 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the Annual Financial Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half-year financial report should be read in conjunction with the annual financial report for the year ended 30 June 2008 and any public announcements made by AuDAX Resources Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001. For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The half-year financial report has been prepared in accordance with the historical cost basis.

Significant Accounting Policies

Apart from the changes in accounting policy noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

Changes in Accounting Policy

Since 1 July 2008 the Group has adopted the following Standards and Interpretations, mandatory for annual periods beginning on or after 1 July 2008. Adoption of these Standards and Interpretations did not have any effect on the financial position or performance of the Group.

- AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8.
- AASB 2008-1 Amendment to Australian Accounting Standards Share-based Payments: Vesting Conditions and Cancellations.
- AASB 2008-3. These amendments are consequential amendments to 20 standards.
- AASB 2008-5 and 2008-6 Amendments to Australian Accounting Standards arising from the Annual Improvements Projects.

The Group has not elected to early adopted any new standards or amendments.

Basis of Consolidation

The half year consolidated financial statements comprise the financial statements of AuDAX Resources Ltd and its subsidiaries ("Group") as at 31 December 2008.

2. Earnings Per Share

The Company's potential ordinary shares, being its options granted and convertible notes, are not considered dilutive as the conversion of these options and convertible notes would result in a decreased net loss per share.

3. Reconciliation of Cash

Consolidated	
31 December 2008	30 June 2008
\$	\$

For the purpose of the half-year cash flow statement, cash and cash equivalents are comprised of the following:

Cash on hand and at bank	378,169	322,640
Deposits at call	309,716	1,400,862
	<u>687,885</u>	<u>1,723,502</u>

AUDAX RESOURCES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

4. Plant and Equipment

During the half year ended 31 December 2008, the Group acquired plant and equipment with a cost of \$4,235 (2007: \$nil). There were no disposals in the half-year ended 31 December 2008. In the half-year ended 31 December 2007, the Group sold land and buildings for proceeds of \$1,100,328 resulting in a gain of \$945,104.

5. Deferred Exploration Expenditure

	Consolidated	
	31 December 2008	30 June 2008
	\$	\$
Deferred exploration and evaluation costs brought forward	3,242,737	1,997,071
Deferred exploration and evaluation costs this year	2,387,946	3,834,632
Costs transferred from intangible assets	1,770,000	-
Exploration costs previously deferred, now written off	(628,357)	(2,588,966)
Deferred exploration and evaluation costs carried forward	6,772,326	3,242,737

6. Intangible Assets

Intangible assets brought forward	1,770,000	-
Acquisition of controlled entity – interest in Tunisia AMI	-	1,770,000
Acquisition of controlled entity – interest in Romania AMI	-	590,000
Impairment of interest in Romania AMI	-	(590,000)
Transfer to deferred exploration expenditure upon acquisition of permit	(1,770,000)	-
Deferred exploration and evaluation costs carried forward	-	1,770,000

The intangible assets above relate to the acquisition of controlled entity, Alpine Oil & Gas Pty Ltd in the 2008 year (refer note 10) and its interest in Areas of Mutual Interest (“AMI”) to investigate and acquire oil and gas projects in Romania and Tunisia. During the previous year \$590,000 was written off as the Company elected to terminate a potential acquisition of an interest in a permit in Romania.

During the six months to December 2008, the remainder of the intangible assets were transferred to deferred exploration as the acquisitions of the permits was finalised.

AUDAX RESOURCES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

7. Issued Capital

Number of Shares	Summary of Movements	Issue Price	\$
120,678,060	Opening balance at 1 July 2007		29,400,807
17,350,000	Placement on 24 July 2007	7 cents	1,214,500
	Costs of placement		(600)
16,000,000	Shares issued to acquire controlled entity, refer note 10	18 cents	2,880,000
600,000	Options exercised during the half year	15 cents	90,000
<u>154,628,060</u>	Closing Balance at 31 December 2007		<u>33,584,707</u>
	Additional costs of July placement		(6,105)
12,469,930	Placement on 22 January 2008	30 cents	3,740,980
200,000	Placement on 25 January 2008	30 cents	60,000
270,000	Placement on 5 February 2008	30 cents	81,000
	Costs of placements - cash		(220,400)
	Costs of placements – non cash (options granted)		(45,675)
2,000,000	Options exercised during the year	10 – 15 cents	250,000
<u>169,567,990</u>	Closing Balance at 30 June 2008		<u>37,444,507</u>
	Costs of 2008 placements – non cash (options granted)		(53,340)
22,222,222	Placement on 8 September 2008	9 cents	1,999,992
	Costs of placements - cash		(87,800)
<u>191,790,212</u>	Closing Balance at 31 December 2008		<u>39,303,359</u>

8. Segment Information

During the period, the consolidated entity operated in two industry segments, being petroleum exploration and mineral exploration. Geographically, the consolidated entity operates in Europe/Africa (Romania, Italy and Tunisia, considered as one area due to their relative close proximity) and Australia.

Geographic Segments	31 December 2008			31 December 2007		
	Europe/ Africa \$	Australia \$	Total \$	Europe/ Africa \$	Australia \$	Total \$
Revenue and Income						
Interest revenue	-	37,950	37,950	-	11,249	11,249
Other revenue	-	9,067	9,067	-	1,158,567	1,158,567
Total consolidated revenue and income			<u>47,017</u>			<u>1,169,816</u>
Result						
Profit/(loss) before income tax	(637,158)	(1,276,269)	(1,913,427)	(107,070)	(1,585,904)	(1,692,974)
Income tax expense	-	-	-	-	-	-
Net loss for year			<u>(1,913,427)</u>			<u>(1,692,974)</u>

AUDAX RESOURCES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

9. Commitments and Contingencies

Since the last annual reporting date, there has been no change of any commitments or contingent liabilities, except for the following:

In November 2007, AuDAX's wholly owned subsidiary, Alpine, and its joint venture partner, Kairiki, signed conditional purchase agreements, subject to certain conditions precedent, with Stratic Energy Limited ("Stratic") to each acquire a 50% interest in the following:

- Stratic's 40% interest in the South Craiova permit, onshore Romania for US\$1 million; and
- Stratic's 100% interest in the Chorbane permit located onshore southeast Tunisia for US\$1 million.

The acquisition of Chorbane is expected to occur in 2009 once the conditions precedent are satisfied, including payment of a letter of credit to the Tunisian government in the amount of US\$1,000,000. AuDAX now holds a 100% interest subsequent to the withdrawal of Kairiki Energy (KIK). The transfer of KIK's interest to AuDAX's wholly owned subsidiary Alpine Oil & Gas Pty Ltd has been approved in principle by the Tunisian authorities and will become official in the near future once the PSC (Production Sharing Contract) is signed.

During the half-year, AuDAX and Kairiki elected to terminate the acquisition of South Craiova.

In January 2008, the Company entered into conditional purchase agreements, subject to certain conditions precedent, with Stratic to acquire a 100% interest in each of the following:

- Kerkouane permit located offshore northeast Tunisia for US\$1 million; and
- Italian permit G.R15.PU, located offshore the island of Pantelleria southwest of Sicily for US\$1 million.

Subsequently, AuDAX entered into an agreement to sell 30% of its interest in each of the above permits to Kairiki.

The Kerkouane permit has a two year exploration period from 22 February 2008. Acquisition of 400km 2D seismic and the drilling of one well is required in the two year period. A letter of credit is required by the Tunisian Ministry in the amount of US\$1.5 million (US\$1.05 million, net to AuDAX) until commencement of drilling.

In July 2008, the Company completed the acquisition of the Kerkouane permit and the sale of the 30% interest to Kairiki.

The acquisition of G.R15.PU was completed in October 2008.

10. Business Combinations

In November 2007, AuDAX Resources Ltd acquired 100% of the shares of Alpine Oil & Gas Pty Ltd ("Alpine"), an unlisted company. Alpine's assets include a 33⅓% free carried interest in a 1 million Euro (A\$1.6m) Joint Study and Bidding Agreement ("JSBA") in Romania, a 33⅓% participating interest in an Area of Mutual Interest ("AMI") to investigate and acquire oil and gas projects in Romania and a 33⅓% participating interest in an AMI to investigate and acquire oil and gas projects in Tunisia.

The fair value of the identifiable assets of Alpine is as follows:

Assets acquired	Note	\$
Shares in Alpine		1,000
Deferred current expenditure – JSBA		519,000
Intangible asset – AMI Romania	6	590,000
Intangible asset – AMI Tunisia	6	1,770,000
		2,880,000
Consideration		
16,000,000 shares in AuDAX Resources Ltd	7	2,880,000

AUDAX RESOURCES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

11. Share Based Payments

Included as an expense in the income statement is \$218,063 (2007: \$nil) relating to share based payments made during the 2007 year and allocated over the vesting periods. An amount of \$53,340 (2007: \$nil) has been included direct into equity as cost of share issues.

There were no new options granted as share based payments in the six months ended 31 December 2008.

12. Subsequent Events

In February 2009, AuDAX signed a Memorandum of Understanding ('MoU') for the Sicily Channel Permits on behalf of the joint venture with PGS Overseas AS, Norway ('PGS') for participation in exploration of the offshore permit G.R15.PU (Pantelleria) within Italian waters and the contiguous offshore permit Kerkouane in Tunisian waters.

Under the MOU PGS would earn a 15% interest in the Permits from the joint venture partners on a pro-rata basis by paying 30% of a significant future exploration work program. The MoU is subject to a number of conditions precedent including the signing of a farm in agreement. The execution of the farm in agreement would be subject to PGS satisfactorily concluding due diligence, all necessary government approvals and formal documentation. The parties will use reasonable endeavours to execute the farm in agreement within three months of the date of the MoU.

No other matter or circumstance has arisen since 31 December 2008 that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity, in subsequent financial years.