

ASX ANNOUNCEMENT

FURTHER IRON ORE MINERAL RESOURCE INCREASE AT WESTERN CREEK

- **100% owned Western Creek iron ore Mineral Resource increased to 52.4 million tonnes.**
- **This is a further 28% increase to the Western Creek resource, based on additional drilling completed in December 2008.**
- **Deposit is located only 15 kilometres from railway and train loading facilities at Newman.**
- **Entire resource is near surface; within ~50 metres of natural land surface.**

The Directors of Giralia Resources NL ("Giralia") report a further increase to the Inferred Mineral Resource for the Company's Western Creek project, located around 15 kilometres west of Newman in the Pilbara Region of Western Australia.

Giralia's 100% owned Western Creek tenements adjoin BHP Billiton Limited's Mt Newman iron-ore mining leases in the Western Ridge area and directly adjoins BHP Billiton's Marra Mamba Formation hosted Silver Knight iron ore deposit.

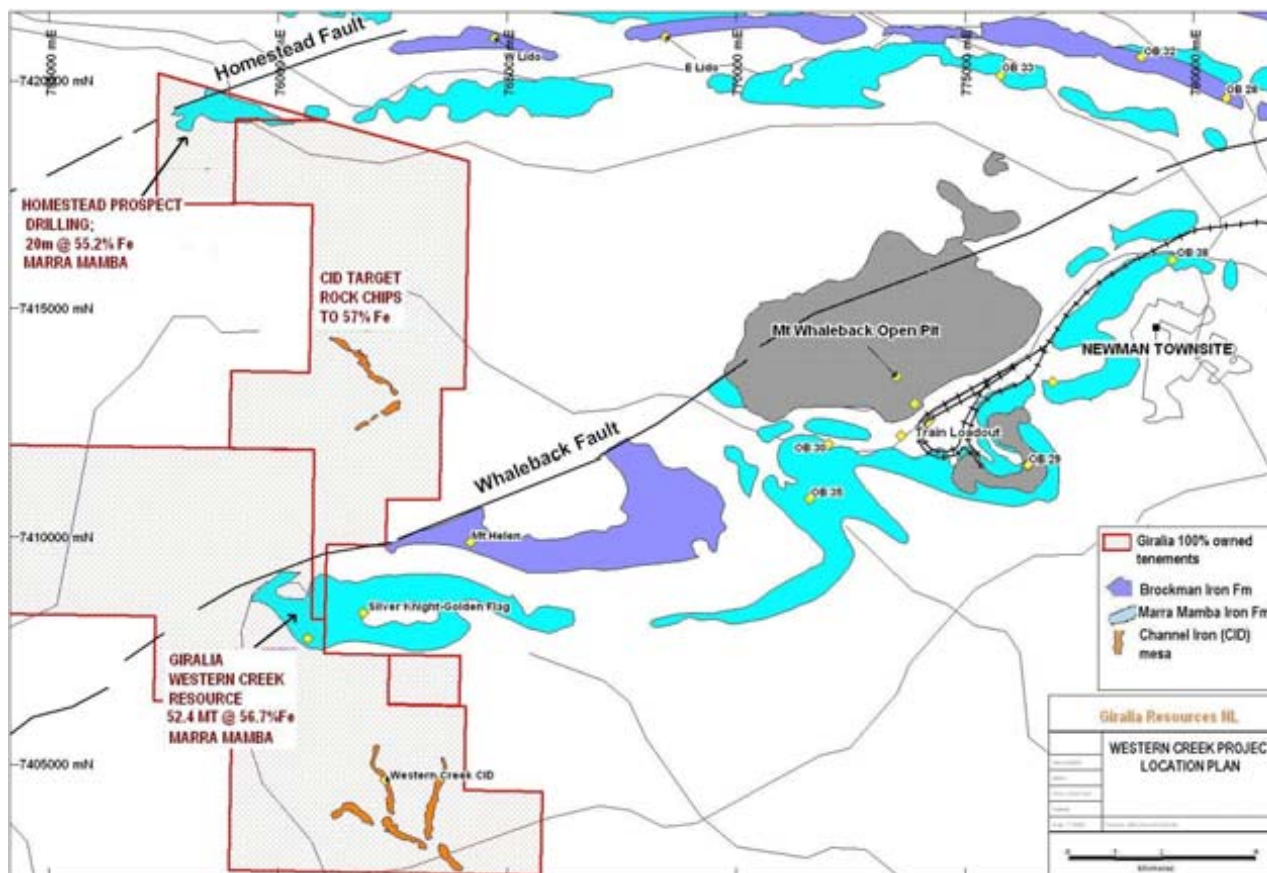
This latest increased Mineral Resource estimate incorporates results from drilling in December 2008 resulting in the addition of 11.7 million tonnes, largely to the North Marra Mamba Zones, and providing a 28% increase in total tonnage to **52.4 million tonnes @ 56.7% Fe** (estimated at a lower cut-off grade of 50%Fe). This global resource includes higher grade zones of **32.6 million tonnes @ 58.3%Fe** (at a 56%Fe lower cut-off grade), or **16.5 million tonnes @ 59.6%Fe** (at a 58%Fe lower cut-off grade).

The Mineral Resource comprises thick zones of flat lying or shallow dipping iron ore mineralisation, and occurs to a maximum depth of only around 50 metres from the natural land surface, likely to result in very low waste to ore ratios. Average thickness of the shallow dipping sheet of mineralisation in the higher grade South Marra Mamba zone is approximately 30 metres, with better intersections of near surface iron ore including; **50m @ 60.4% Fe, 50m @ 58.2% Fe and 42m @ 59.1% Fe.**

Giralia Resources - Mineral Resource Estimate								
Western Ridge Mineralised Zones as at 27 February 2009								
Deposit	Category	Tonnes (Mt)	Grade at Fe > 50%					
			Fe %	P %	SiO₂ %	Al₂O₃ %	LOI %	S %
South Marra Mamba Zone	Inferred	20.6	58.0	0.07	5.3	3.0	8.7	0.08
North Marra Mamba Zone	Inferred	28.6	56.1	0.06	6.5	3.8	9.3	0.08
Total Marra Mamba	Total	49.2	56.9	0.06	6.0	3.5	9.1	0.08
Detrital Zones	Inferred	3.2	54.1	0.04	8.9	6.5	5.6	0.05
Overall Total >50%Fe	Total	52.4	56.7	0.06	6.2	3.6	8.9	0.08
Overall Total >56%Fe	Total	32.6	58.3	0.06	4.9	3.0	8.9	0.09
Overall Total >58%Fe	Total	16.5	59.6	0.07	3.9	2.6	8.6	0.08

Internationally recognised geological consultants CSA Global Pty Ltd (CSA) were commissioned by Giralia to complete the updated resource estimate for the Western Creek project deposits. Methodology, procedure and parameters used for the Mineral Resource estimate are detailed below in the CSA summary report (Annexure 1). Delineation of this updated Mineral Resource is based on 156 reverse circulation ("RC") drill holes completed to date at Western Creek, including results from a 71

hole (4062 metres) RC drilling program completed at Western Creek in December 2008, with 49 holes targeting extensions to the resource, and 22 holes drilled as an early test of the newly acquired “Homestead” prospect.



Location of Giralia’s Western Creek Project (red) near BHPBilliton’s Newman operations.

Positive results, particularly in the North Marra Mamba zone, have resulted in the substantial increase in resource in this area. Better intersections included **36 metres @ 58.0% Fe** from 16 metres depth including **18 metres @ 60.7% Fe** in hole RCWC116, and **22 metres @ 58.7% Fe** from 6 metres depth including **14 metres @ 60.3% Fe** in hole RCWC107.

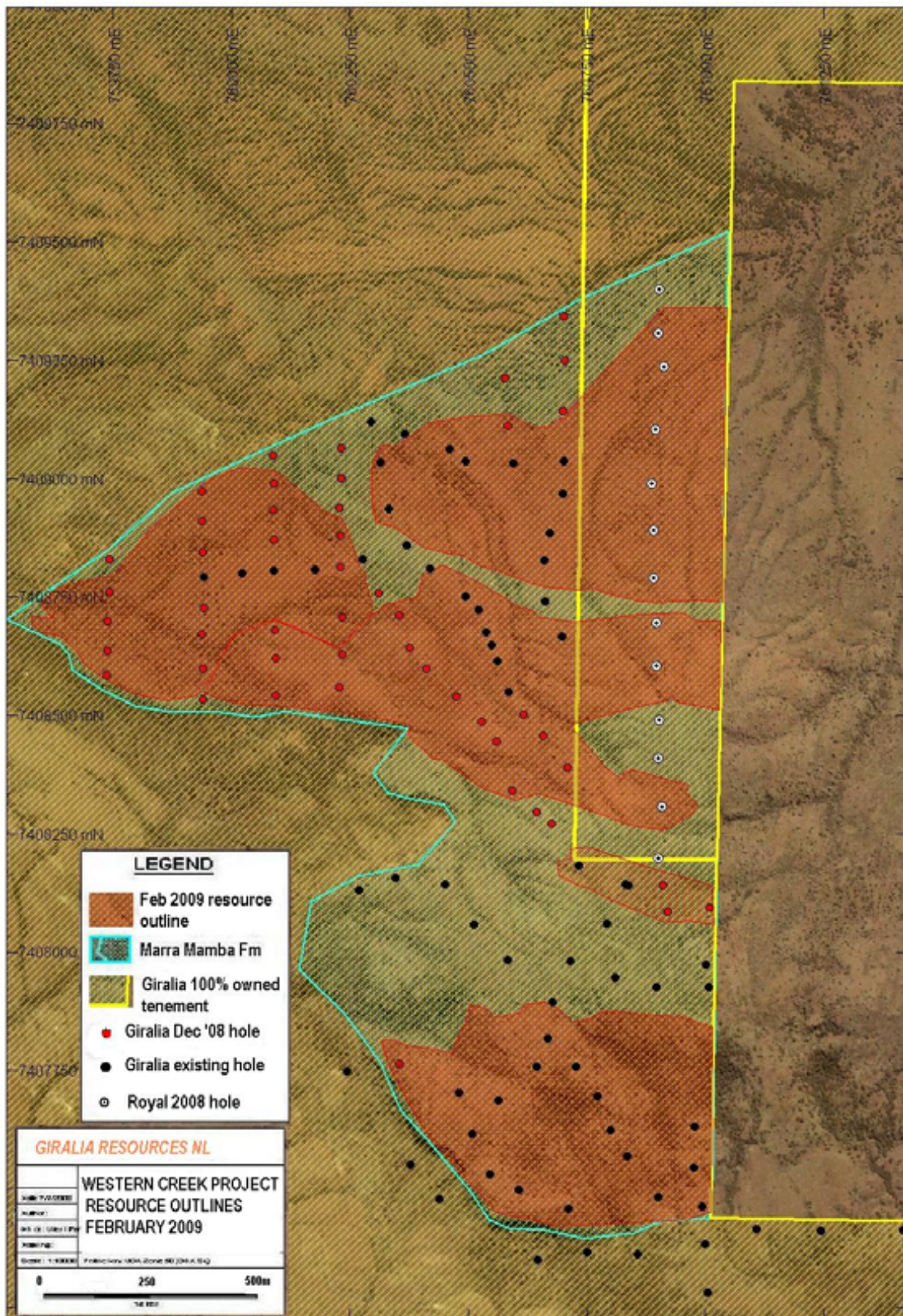
At the “Homestead” prospect around 10 kilometres north of the Western Creek Mineral Resource, better intersections from Giralia’s 22 hole December 2008 drilling program include **20 metres @ 55.2% Fe, 14 metres @ 55.5% Fe and 8 metres (EOH) @ 56.1% Fe** in the Marra Mamba Formation

Further drilling is planned in mid 2009 to test the Homestead prospect along with Channel Iron Deposit (“CID”) targets.

R M Joyce
DIRECTOR

11 March 2009

The information in the report that relates to in-situ Mineral Resources is based on information compiled by Mr Grant Louw of CSA Global. Grant Louw takes overall responsibility for the Report. He is a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (JORC Code 2004 Edition). Grant Louw consents to the inclusion of such information in this Report in the form and context in which it appears. The information in this report that relates to Exploration Results is based on information compiled by R M Joyce, who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of the Company. Mr Joyce has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Joyce consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Western Creek Project plan showing resource outlines

About Giralia Resources NL

Giralia Resources NL ("ASX: GIR") is a well funded (~\$70 million cash) mineral exploration company based in Perth, Western Australia. Giralia's iron ore projects in Western Australia are the Company's major exploration and development focus:

Beebyn (100%) – Hematite (MidWest) – Adjoins Sinosteel Weld Range deposits. Initial Inferred Mineral Resource **7.2 million tonnes @ 57.2% Fe**. Major upside at nearby Beebynganna Hills project, where 7 new zones of hematite have been discovered.

Western Creek (100%) – Hematite (15 km W of Newman) – Marra Mamba iron ore as direct extensions to BHP Silver Knight deposit. Inferred Mineral Resource **52.4 million tonnes @ 56.7% Fe**. Deposit is near surface, with several zones open ended.

Earaheedy (100%) – Hematite (200 km S of Newman) –23 known hills with rock sample grades over 57% Fe, within 130 kilometres of iron formations on Giralia tenements, with shallow dips indicating large tonnage potential. Drilling; **20 metres @ 55.7% Fe, 8 metres @ 58.7% Fe, and 12 metres @ 57.3%Fe** from 8 hills tested to date.

McPhee Creek (100%) – CID (Pilbara) – Channel iron deposit (CID) mesa, new drill intersections include 12 metres @ 56.1 % Fe, 10 metres @ 57.2% Fe. Initial Inferred Mineral Resource **5.17 million tonnes @ 53.6% Fe (60.4%CaFe)**.

Daltons (75%) - Hematite (Pilbara) – newly discovered 600 metre by 450 metre zone of massive hematite outcrop, grades average 63.3% Fe only 40km from FMG, BHP rail lines.

Yerecoin – Magnetite (150 km from Perth) – 1 km to railway. Coarse magnetite; 70.1 % Fe from initial DTR testwork. Initial drill testing March 2009.

The Company also has significant other commodity interests, including the Lake Frome Joint Venture around the operating Beverley uranium mine in South Australia, and the 100% owned 170,000 ounce Snake Well gold project in Western Australia.

In addition to its strong cash balance, Giralia also holds significant stakes in several ASX listed companies (shown below) which are held largely as a result of the spin-off of independently managed and funded companies over the last 3 years. Giralia shareholders have benefited through priority IPO entitlements and in specie distributions, and ongoing exposure to upside from exploration success.

Company	ASX code	key commodity	Giralia stake
PacMag Metals Limited	PMH	copper	~10.4%
U3O8 Limited	UTO	uranium	~16.3%
Zinc Co Australia Limited	ZNC	zinc	~12%
Carpentaria Exploration Limited	CAP	NSW, Qld copper-gold	~10.4%
Hazelwood Resources Ltd	HAZ	nickel, tungsten	~5.1%
Peninsula Minerals Limited	PEN	uranium	~ 2%

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MEMORANDUM

To: Julian Goldsworthy
Date: March 6, 2009
From: Grant Louw
Re: Western Ridge Mineral Resource Estimate.

Giralia Resources NL, Western Creek Project, Western Ridge Mineral Resources Estimate.

CSA Global Pty Ltd (CSA) was engaged by Giralia Resources NL (Giralia) to complete an updated Mineral Resource estimate for potential Marra Mamba Formation direct shipping ore (DSO) deposits within the 100% Giralia owned Western Creek tenement. Giralia has recently completed additional drilling on their tenements and the updated estimate extends and refines the previously defined Inferred Mineral Resource estimate over the northern and southern slopes of the Western Ridge area of the Western Creek tenement.

The Mineral Resource estimates for the modelled mineralised zones in the Western Ridge area of the Western Creek tenements are classified as Inferred. This is based on confidence in the geological interpretation and continuity from the results of the drilling campaigns. The results of the updated Mineral Resource estimate for the Western Creek Project area are tabulated in Table 1.

Table 1 Mineral Resource estimate results for the North, South and Detrital zones.

Giralia Resources - Mineral Resource Estimate								
Deposit	Category	Tonnes (Mt)	Grade at Fe > 50%					
			Fe %	P %	SiO2 %	Al2O3 %	LOI %	S %
South Zone	Inferred	28.6	56.1	0.06	6.5	3.8	9.3	0.08
North Zones	Inferred	20.6	58.0	0.07	5.3	3.0	8.7	0.08
Marra Mamba DSO Total		49.2	56.9	0.06	6.0	3.5	9.1	0.08
Detrital Zones	Inferred	3.2	54.1	0.04	8.9	6.5	5.6	0.05
Mineralised Detrital Total		3.2	54.1	0.04	8.9	6.5	5.6	0.05

The Mineral Resource estimates for the western ridge project area completed by CSA are based on:

- Giralia supplied all geological and sampling data and provided technical and geological support to CSA during the resource modelling process.
- CSA imported the supplied drill hole data to Datamine software, with northings truncated by 7 million to allow modelling to proceed in the Datamine single precision environment.
- Wireframe solids and surfaces were generated based on the sectional interpretations provided by Giralia to delineate zones of > 50 % Fe mineralisation, within the primary target Marra Mamba formation and the partially overlying mineralised detrital zones. Figure 1 demonstrates the outline of the modelled primary Marra Mamba formation mineralised zones on the northern and southern slopes of the Western Ridge project area.

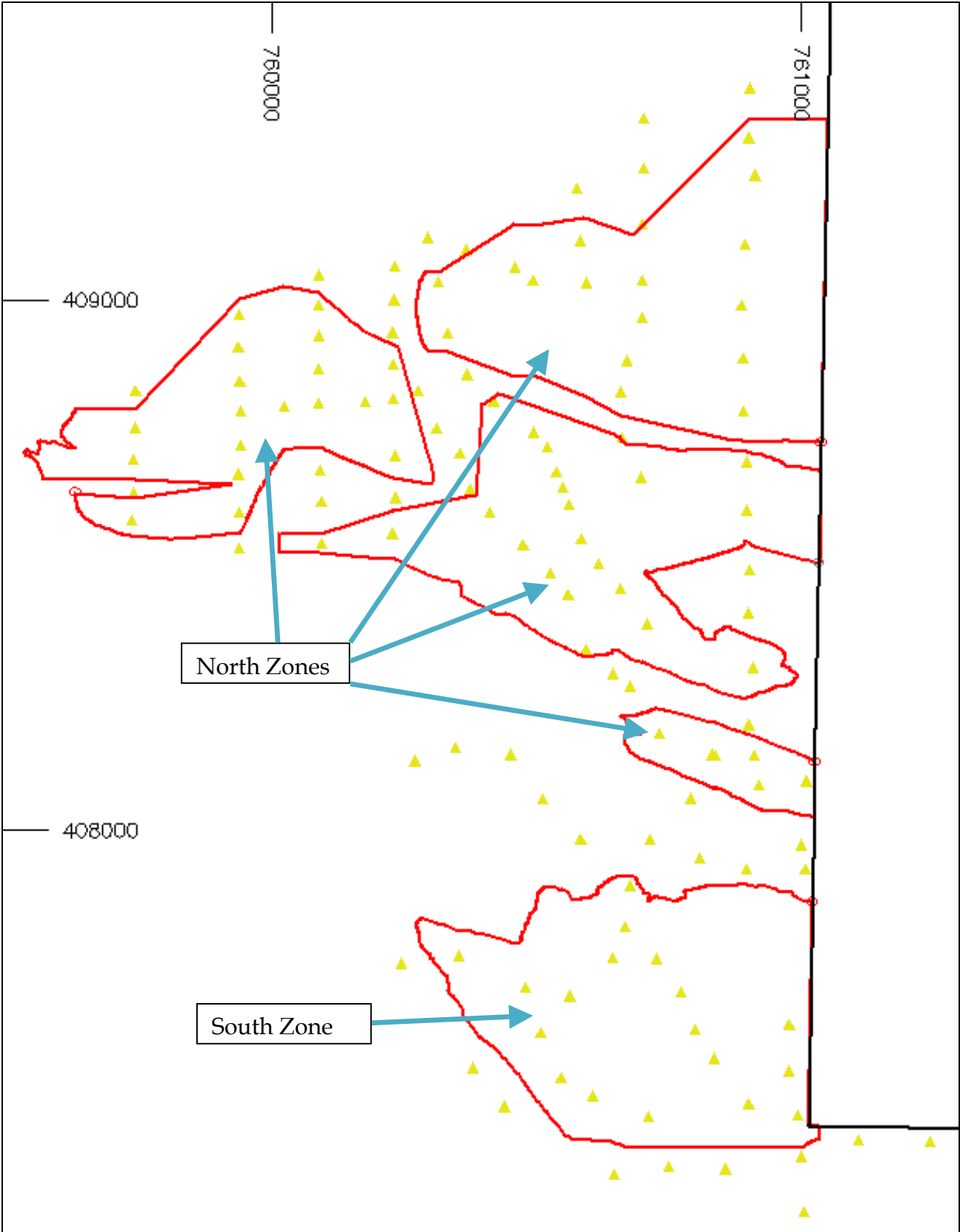


Figure 1 Plan showing Primary Mineralised Zone outlines (Red) in the Western Ridge area, tenement boundary in Black. Yellow triangles represent Drill collar locations. Northings are Truncated.

- Drill holes samples were flagged according to the mineralised zone they fall into based on the constructed wireframes, and composited to 2m based on length analysis.
- Top cuts were applied to deleterious elements to avoid potential estimation bias associated with outlier values, based on a detailed statistical analysis.
- Variograms were modelled for Fe and P for the South Zone and the combined North Zones. The resulting parameters from the Fe modelling were used in the estimation process for Fe and the associated contaminant elements, except P.
- Two volume block models were constructed, one for the South Zone and one for combined North Zones, with blocks coded based on the wireframes in a similar fashion to the drill hole samples.
- The block models contained parent block sizes of 20m x 20m x 20m (X x Y x Z) with subcells down to 5m x 5m x 2.5m in the south model, while the north model had subcells down to 2m x 2m x 1m.
- Ordinary Kriging (OK) was used to estimate the grades into the parent blocks for Fe and associated deleterious elements, with an Inverse Distance to the power of 2 (IDS) estimate also used as part of the cross check validations of the Kriged grades.
- Search ellipses for the North Zones are orientated based on geological continuity for each zone, with the South Zone based on the orientation resulting from the variogram modelling.
- A minimum of 6 samples and a maximum of 24 samples were used to estimate the sample grades into each block. A maximum of 5 samples from any one drill hole were used per block estimate, with no octant based searching utilised.
- The results of the grade estimation were validated by means of visual comparison along sections, statistical analysis and trend plots comparing the estimated block grades and the drill hole sampling grades.
- An SG of 2.8 for Marra Mamba mineralisation and 2.7 for Detrital mineralisation are applied based on research into results obtained for similar mineralisation types.
- The Mineral Resources are classified as Inferred, based on current drill coverage and confidence in geological and grade continuity.

Fe grade-tonnage curve data for the Southern, Northern and Detrital Zones are presented in Tables 2 to 4 and Figures 2 to 4.

Table 2 Grade Tonnage table South Mineralised Zone

Giralia Resources - Western Ridge - Interpreted South Mineralised Zone 27 February 2009									
Fe% Cut	Volume	Tonnes	FE%	P%	SIO2%	AL2O3%	LOI%	S%	DENSITY
63	10,000	20,000	63.1	0.07	1.6	1.6	7.3	0.10	2.80
62	100,000	200,000	62.3	0.08	2.3	1.8	7.3	0.09	2.80
61	600,000	1,600,000	61.5	0.08	2.7	1.9	7.6	0.06	2.80
60	1,400,000	3,900,000	60.9	0.08	2.9	2.0	8.1	0.06	2.80
59	2,500,000	7,000,000	60.3	0.08	3.3	2.2	8.4	0.07	2.80
58	3,800,000	10,700,000	59.7	0.07	3.8	2.4	8.6	0.07	2.80
57	5,200,000	14,400,000	59.1	0.07	4.3	2.6	8.7	0.08	2.80
56	6,100,000	17,200,000	58.7	0.07	4.7	2.8	8.7	0.08	2.80
55	6,800,000	19,000,000	58.4	0.07	4.9	2.9	8.7	0.08	2.80
54	7,100,000	19,900,000	58.2	0.07	5.1	2.9	8.7	0.08	2.80
53	7,300,000	20,300,000	58.1	0.07	5.2	3.0	8.7	0.08	2.80
52	7,300,000	20,500,000	58.1	0.07	5.2	3.0	8.7	0.08	2.80
51	7,300,000	20,600,000	58.0	0.07	5.3	3.0	8.7	0.08	2.80
50	7,400,000	20,600,000	58.0	0.07	5.3	3.0	8.7	0.08	2.80

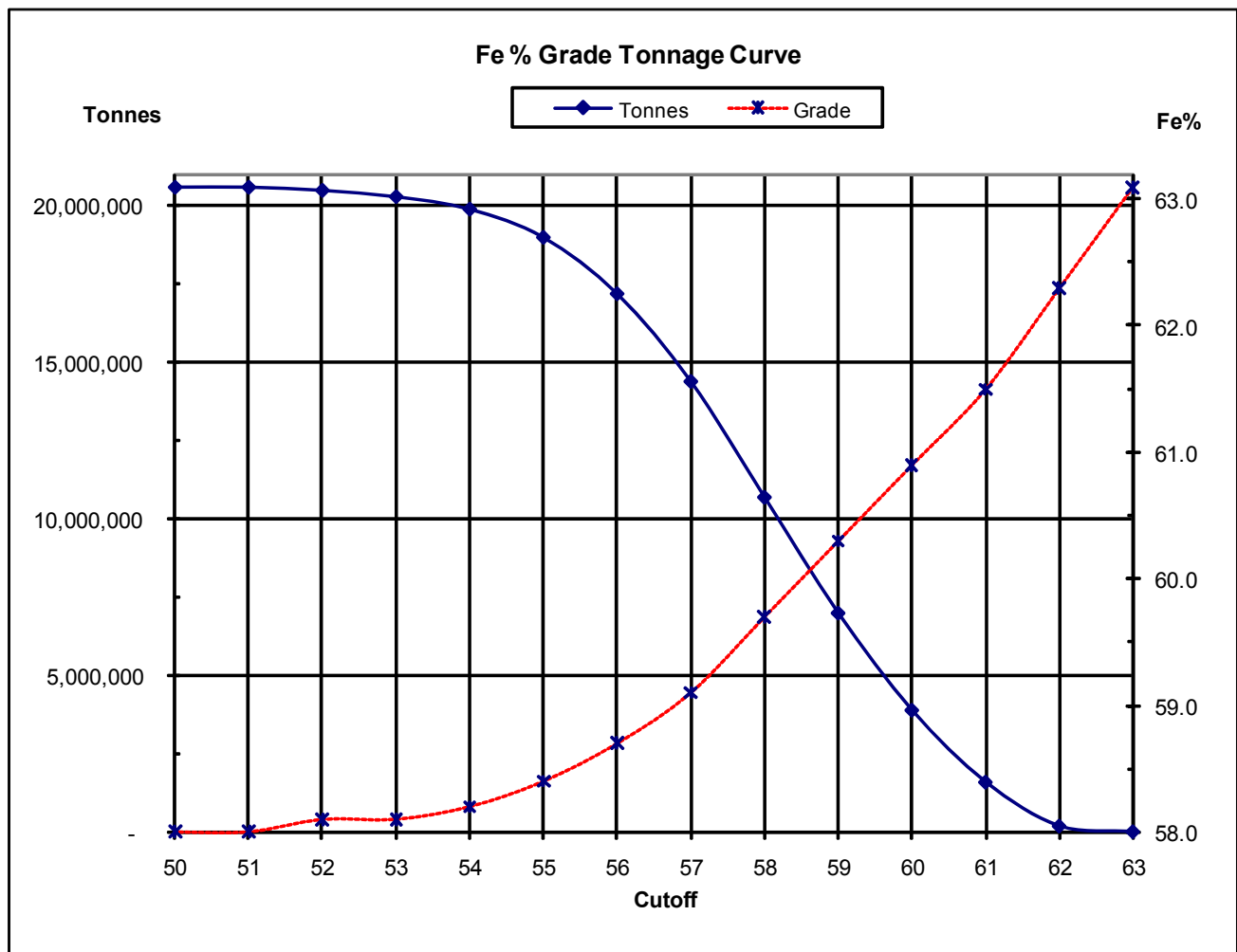


Figure 2 Fe Grade Tonnage curve for South Mineralised Zone

Table 3 Grade Tonnage table North Mineralised Zone

Giralia Resources - Western Ridge - Interpreted North Mineralised Zones 27 February 2009									
Fe% Cut	Volume	Tonnes	FE%	P%	SIO2%	AL2O3%	LOI%	S%	DENSITY
63	2,000	6,000	63.0	0.08	2.0	1.9	7.0	0.09	2.8
62	40,000	100,000	62.4	0.08	2.4	2.1	7.3	0.11	2.8
61	200,000	500,000	61.6	0.07	2.7	2.2	7.7	0.12	2.8
60	500,000	1,500,000	60.8	0.06	3.2	2.3	8.3	0.12	2.8
59	1,100,000	3,200,000	60.1	0.06	3.6	2.5	8.7	0.11	2.8
58	2,000,000	5,600,000	59.4	0.06	4.0	2.7	8.9	0.11	2.8
57	3,500,000	9,800,000	58.6	0.06	4.6	2.9	9.0	0.10	2.8
56	5,300,000	14,900,000	57.9	0.06	5.1	3.2	9.2	0.10	2.8
55	6,900,000	19,400,000	57.3	0.06	5.5	3.4	9.2	0.09	2.8
54	8,200,000	22,900,000	56.9	0.06	5.8	3.5	9.3	0.09	2.8
53	9,200,000	25,700,000	56.5	0.06	6.1	3.6	9.3	0.08	2.8
52	10,000,000	27,900,000	56.2	0.06	6.4	3.7	9.3	0.08	2.8
51	10,200,000	28,500,000	56.1	0.06	6.5	3.8	9.3	0.08	2.8
50	10,200,000	28,600,000	56.1	0.06	6.5	3.8	9.3	0.08	2.8

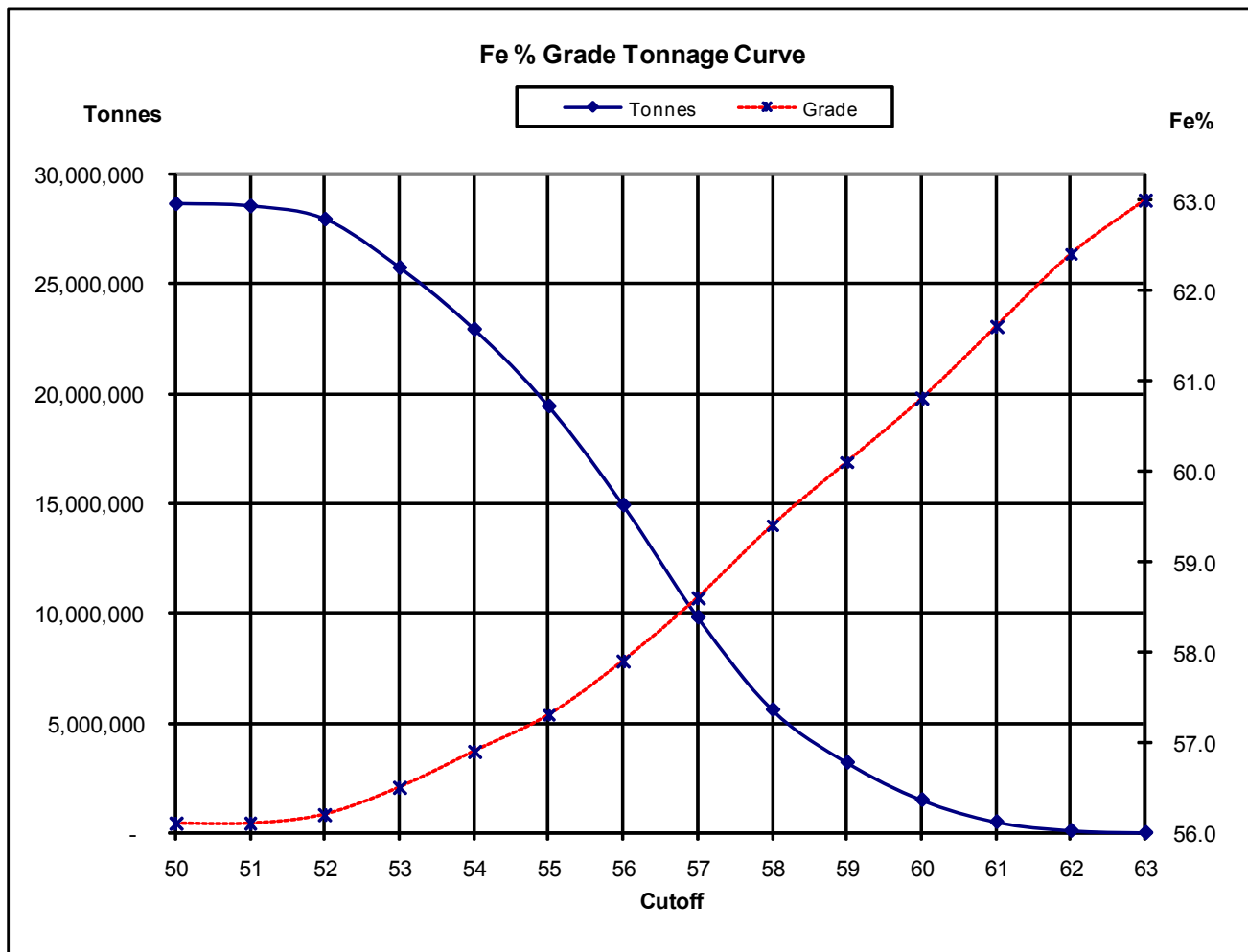


Figure 3 Fe Grade Tonnage curve for North Mineralised Zone

Table 4 Grade Tonnage table Detrital Mineralised Zone

Giralia Resources - Western Ridge - Interpreted Detrital Mineralised Zones 27 February 2009									
Fe% Cut	Volume	Tonnes	FE%	P%	SiO2%	AL2O3%	LOI%	S%	DENSITY
60	15,000	40,000	60.5	0.04	4.4	4.7	3.0	0.05	2.7
59	35,000	90,000	59.9	0.04	4.9	4.8	3.0	0.04	2.7
58	100,000	200,000	59.1	0.04	5.5	5.1	3.4	0.04	2.7
57	100,000	300,000	58.6	0.04	5.9	5.3	3.6	0.05	2.7
56	200,000	500,000	57.8	0.04	6.4	5.5	4.0	0.05	2.7
55	400,000	1,000,000	56.7	0.04	7.2	5.8	4.6	0.05	2.7
54	500,000	1,500,000	55.9	0.04	7.7	6.0	4.9	0.05	2.7
53	800,000	2,000,000	55.2	0.04	8.3	6.3	5.0	0.04	2.7
52	1,000,000	2,800,000	54.5	0.04	8.6	6.5	5.4	0.05	2.7
51	1,100,000	3,100,000	54.2	0.04	8.8	6.5	5.5	0.05	2.7
50	1,200,000	3,200,000	54.1	0.04	8.9	6.5	5.6	0.05	2.7

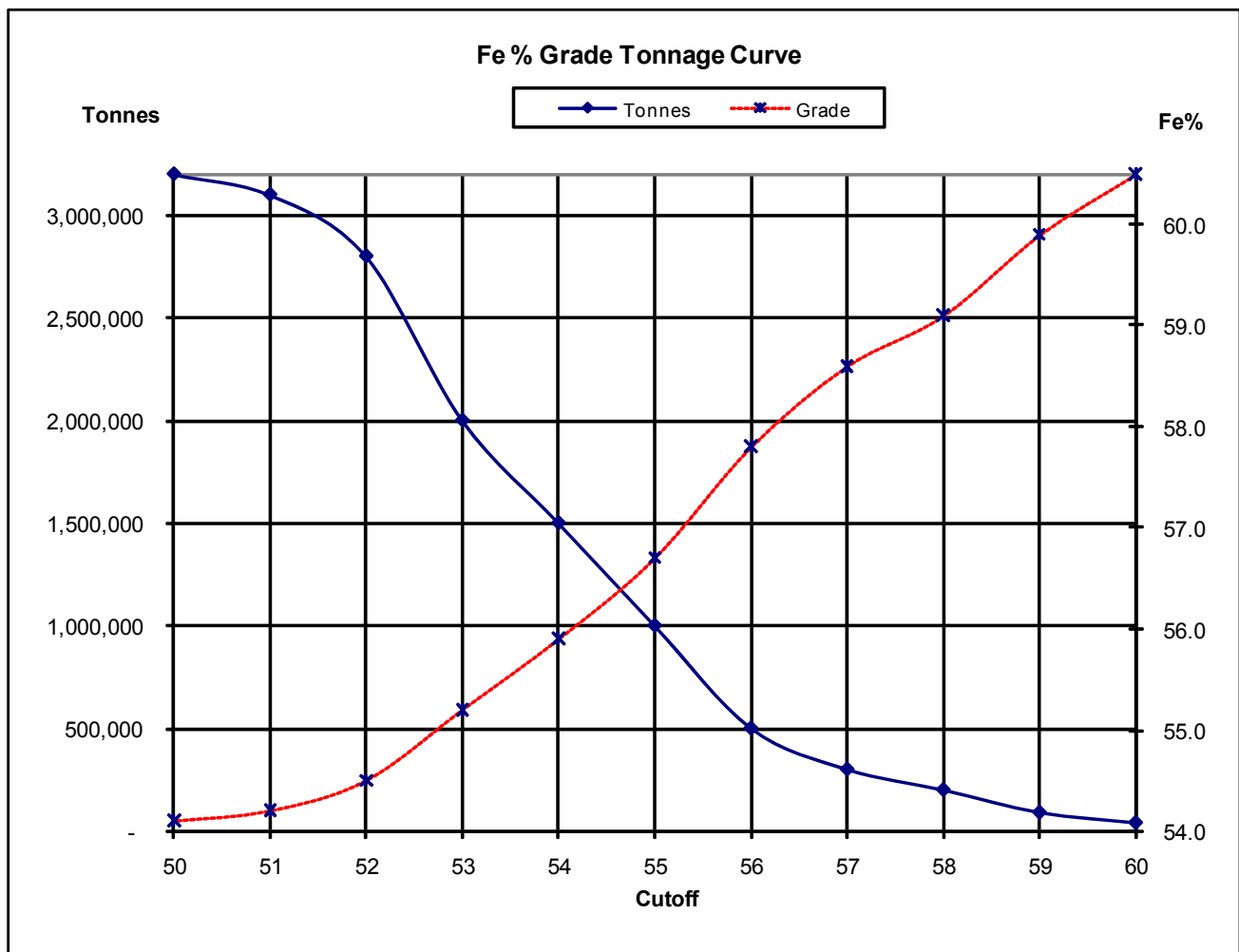


Figure 4 Fe Grade Tonnage curve for Detrital Mineralised Zone

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