

ASX ANNOUNCEMENT

INITIAL IRON ORE MINERAL RESOURCE ESTIMATE FOR MT WEBBER HEMATITE DEPOSIT

- **Initial Inferred Mineral Resource for Giralia’s 75% owned Mt Webber deposit at the Daltons JV.**
 - Overall Resource 40.0 million tonnes @ 57.3%Fe (62.3% CaFe) and 1.42% Al₂O₃
 - Includes higher grade zone of 24.6 million tonnes @ 59.0%Fe (64.2% CaFe) and 1.33% Al₂O₃ with an Fe cut-off of 57%
- This maiden estimate for the Mt Webber deposit is based on a 40 hole first pass drilling program completed in May to August 2009.
- The low alumina resource is near-surface, and within road haulage distance of Port Hedland.
- Scoping Study commenced to evaluate development options.

The Directors of Giralia Resources NL (“Giralia”) are very pleased to report the initial Inferred Mineral Resource for the Mt Webber iron ore deposit, part of the Company’s Daltons Joint Venture (Giralia 75% interest with Haoma Mining NL (“Haoma”) 25% interest), located 150 kilometres south of Port Hedland in the Pilbara region of Western Australia. Haoma retains rights to gold/silver and tin/tantalum mineralisation.

The low alumina mineralisation at Mt Webber appears to be a flat lying hematite-goethite enrichment cap up to 70 metres thick, with mineralisation starting from surface in many holes.

The Daltons JV tenements at Mt Webber directly adjoin Atlas Iron Limited’s (“Atlas”) Mt Webber prospect. Atlas recently reported an initial resource estimate of 32.62 million tonnes @ 57.3% Fe on its tenement at Mt Webber.

Daltons JV- Mt Webber Iron Ore Project - Mineral Resource Estimate								
as at 11 September 2009 (Fe Grade Cutoff >50 %)								
Deposit	Category	Tonnes (Mt)	Fe %	P %	SiO ₂ %	Al ₂ O ₃ %	LOI %	CaFe%
Main Southern Zone	Inferred	33.76	57.9	0.093	6.39	1.44	8.19	63.06
Lenses below Main Zone	Inferred	4.36	53.7	0.045	15.39	0.51	6.33	57.3
Northern Zone	Inferred	1.89	54.8	0.070	8.22	3.28	8.57	59.9
Total	Inferred	40.0	57.3	0.086	7.46	1.42	8.00	62.3

Calcined Iron grade (CaFe) is a measure of iron content upon removal of volatiles (i.e. LOI).

Commenting on the maiden Mt Webber resource, Giralia’s Chairman Graham Riley said;

“This is a very important outcome for Giralia shareholders. The Mt Webber deposit is one of the largest junior owned direct shipping resources within trucking distance of Port Hedland. The low alumina content, and high LOI should make this ore very saleable, and the deposit is right at surface. The mining Scoping Study will outline the Company’s various development options. Giralia’s total direct shipping iron ore resource base is now over 132 million tonnes with drilling continuing to add tonnes.”

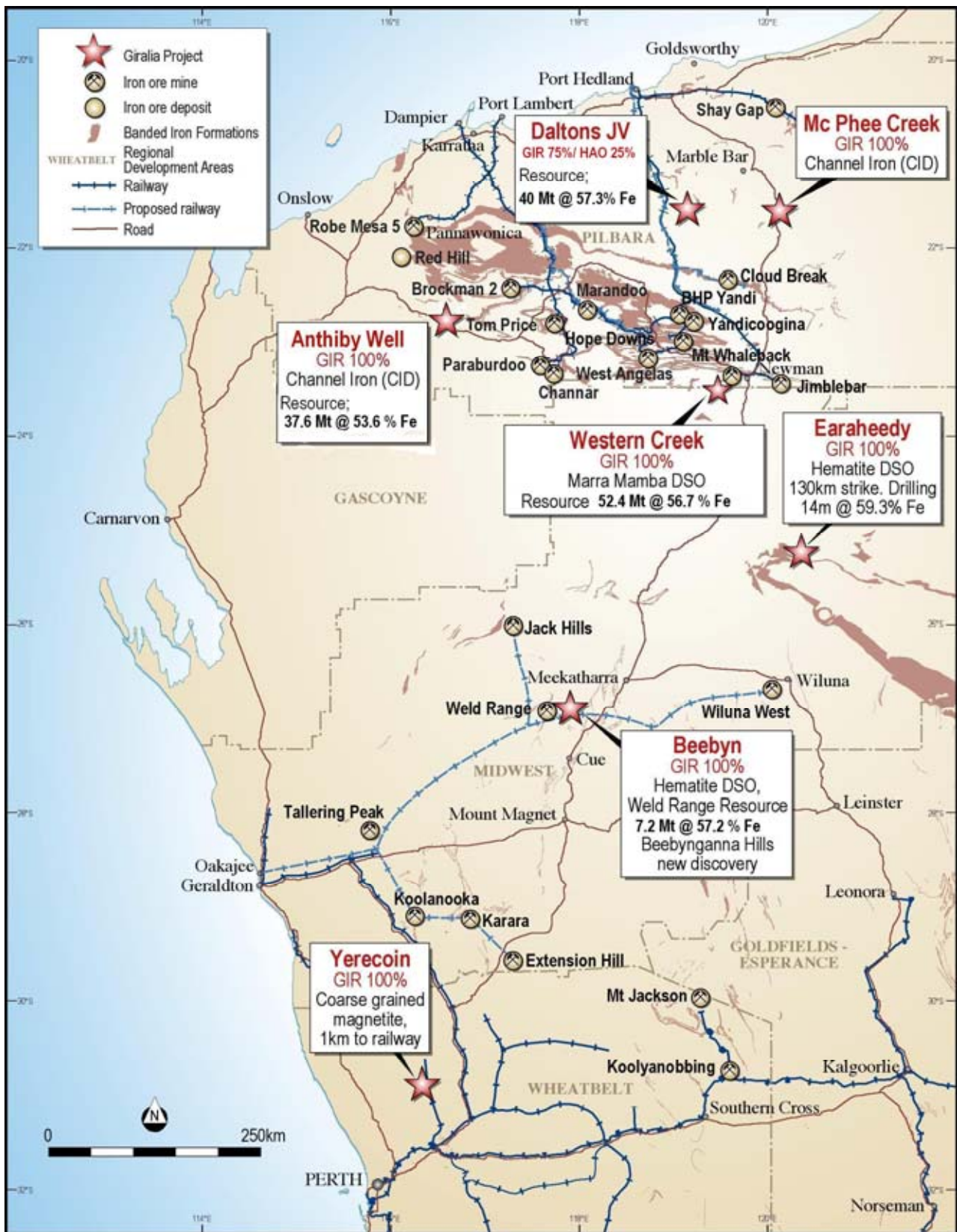
Internationally recognised geological consultants CSA Global Pty Ltd (CSA) were commissioned by Giralia to complete the initial resource estimate for the Mt Webber deposit. Methodology, procedure and parameters used for the Mineral Resource estimate are detailed below in the CSA summary report (Annexure 1). Delineation of this updated Mineral Resource is based on 40 reverse circulation ("RC") drill holes completed to date at Mt Webber by Giralia in May to August 2009, which returned intersections including; **70 metres from surface @ 58.4% Fe, including 54 metres @ 60.9% Fe, 1.5% Al₂O₃, 52 metres @ 60.5% Fe 1.3% Al₂O₃ from 4 metres depth, 60m @ 58.6% Fe from surface, including 44m @ 60.1% Fe, 1.7% Al₂O₃ and 68m @ 60.9% Fe, 0.7% Al₂O₃ from surface.** Additionally, earlier drilling of the smaller Northern Hill returned results including **16 metres @ 58.5% Fe, and 34 metres @ 55.1% Fe.**

Further helicopter supported rock sampling and mapping of areas of hematite potential within the Daltons JV's 30 kilometres of known iron formation outcrop was carried out in the last few days, and has identified targets for resource growth, particularly immediately north of the Atlas Iron resource on the western range at Mt Webber. Assay results are anticipated in late September.

R M Joyce
DIRECTOR

14 September 2009

The information in the report that relates to in-situ Mineral Resources is based on information compiled by Mr Chris Allen of CSA Global. Mr Chris Allen 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). Mr Chris Allen 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.



Location Plan showing Giralia's Western Australia iron ore projects

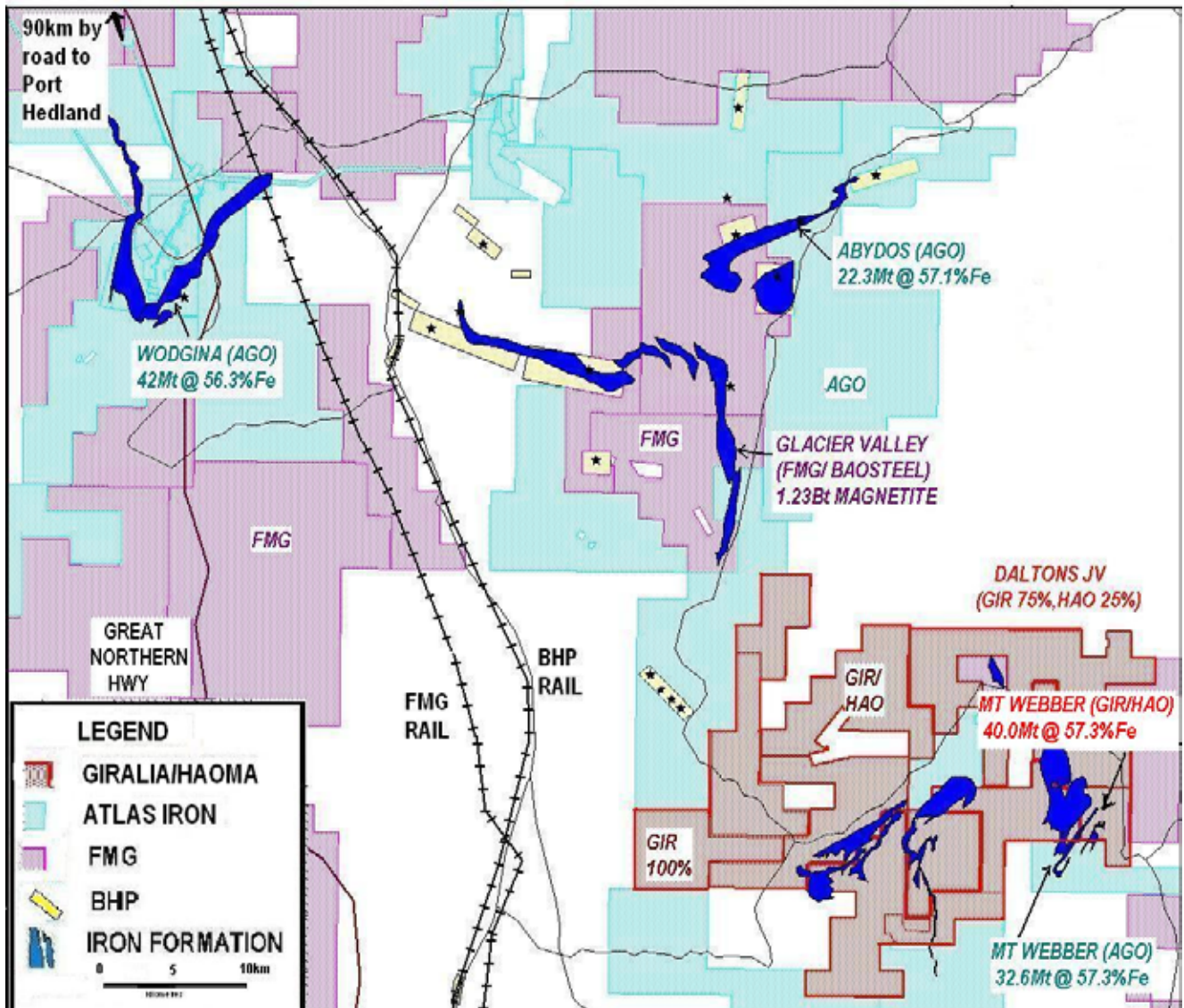


Fig 1: Location plan Daltons JV tenements

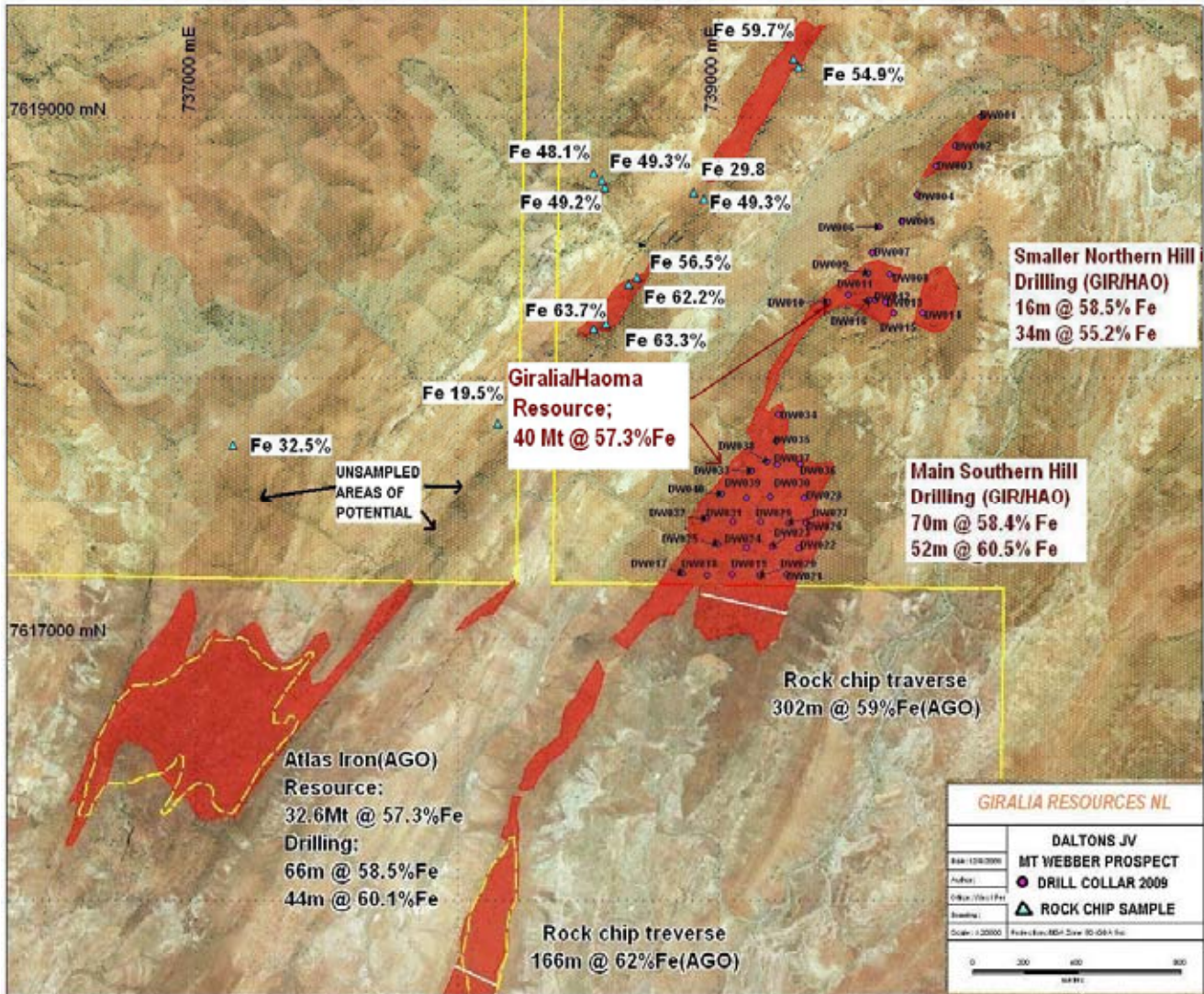


Fig 2: Daltons JV Mt Webber iron ore prospect. JV tenements in Yellow

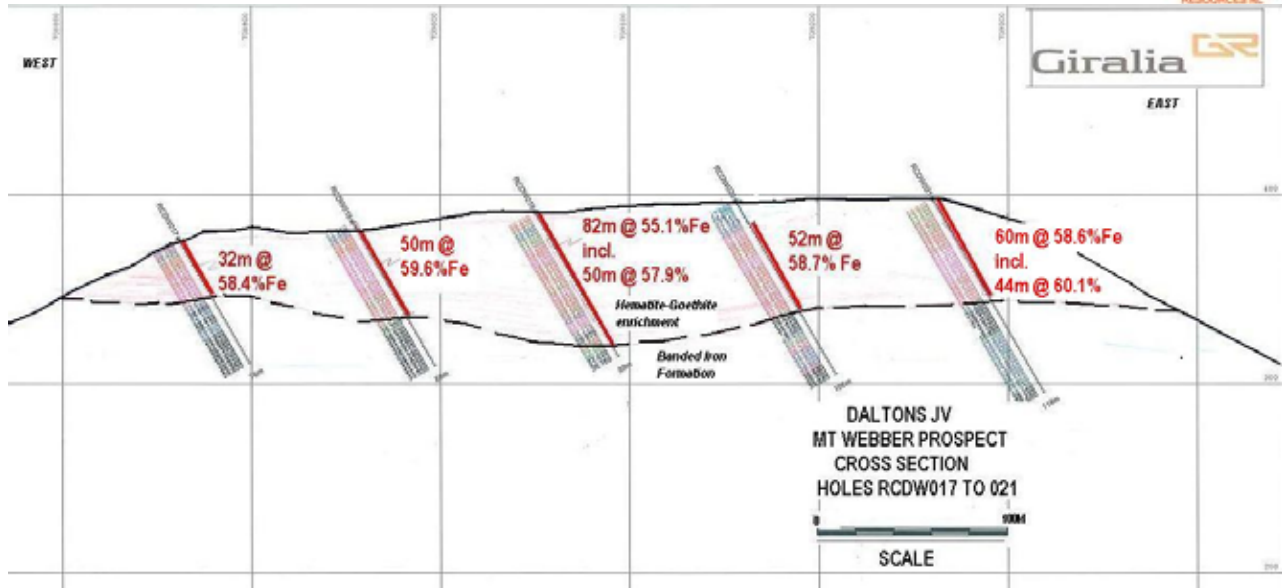


Fig 3: Mt Webber Cross Section



Fig 4; Photo of Mt Webber looking south showing GIR/HAO drilling in foreground

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.

Anthiby Well (100%*) -CID (Pilbara) – Channel iron deposit (CID) mesas, drill intersections include 32 metres @ 55.1%Fe including 24 metres @ 56.0%, 22 metres @ 56.3%Fe, and 18 metres @ 56.2%Fe. Initial Inferred Mineral Resource **63.5 million tonnes @ 50.5% Fe, including 37.6 million tonnes @ 53.6% Fe (59.1%CaFe)**. * subject to production royalty

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 zone of massive hematite outcrop, only 150 km south of Port Hedland, and 40km from FMG, BHP rail lines. Drilling **70m @ 58.4% Fe from surface, including 54m @ 60.9% Fe, 1.5%Al₂O₃**. Initial Inferred Mineral Resource **40.0 million tonnes @ 57.3% Fe (62.3%CaFe)**.

Yerecoin – Magnetite (150 km from Perth) – 1 km to railway. Initial drilling March 2009; **72 metres @ 32.4%Fe, 52.4 metres @ 31.6 %Fe**. Coarse magnetite; excellent DTR testwork. Scoping Study in progress.

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	~15%
Zinc Co Australia Limited	ZNC	zinc	~12%
Carpentaria Exploration Limited	CAP	NSW, Qld copper-gold	~10.4%
Hazelwood Resources Ltd	HAZ	nickel, tungsten	~3.3%

ABN 67 077 165 532

Level 1, 47 Burswood Road
Burswood WA 6100
AUSTRALIA

PO Box 139
Burswood WA 6100
AUSTRALIA

Phone: +61 8 9355 1677
Fax: +61 8 9355 1977

Email: csaus@csaglobal.com

11 September 2009

Mr Julian Goldsworthy
Giralia Resources NL
Level 2, 33 Ord Street
West Perth WA 6005

Mineral Resource Estimate– Mount Webber Iron Ore Deposit, Pilbara WA

CSA Global Pty Ltd (CSA) has carried out a Mineral Resource estimate for the Mount Webber iron ore deposit, on behalf of Giralia Resources NL (Giralia). The Mount Webber deposit is located in the Pilbara region, 150 km south of Port Hedland, Western Australia. The deposit forms part of Giralia's Daltons Joint Venture with Haoma Mining NL. Giralia announced to the ASX that they had received final drill results on the 26 August 2009.

Using assay results, geological interpretation and survey data supplied by Giralia, CSA estimate the Inferred Mineral Resource at 40 million tonnes grading 57.3% Fe, 0.086% P, and 1.42% Al₂O₃, using a cutoff of Fe >50%.

Mount Webber Inferred Mineral Resource Estimate - Summary of In-situ tonnes and grades

Mineralised Zone	Volume	Tonnes	Fe	P	SiO ₂	Al ₂ O ₃	LOI
Main southern zone	10,230,000	33,800,000	57.9	0.093	6.39	1.44	8.19
Lenses below main zone	1,320,000	4,300,000	53.7	0.045	15.39	0.51	6.33
Northern Zone	570,000	1,900,000	54.8	0.070	8.22	3.28	8.57
Total	12,120,000	40,000,000	57.3	0.086	7.46	1.42	8.00

The Mount Webber deposit forms a flat-lying iron enrichment developed over Archaean banded iron formations. The deposit is well exposed with little overlying waste material. The resource has been drilled with 40 RC holes on section spacings of 100m by 100m spacing along section, with most holes most between 70m and 120m deep. The holes are drilled dipping east at 60° except where access restrictions required a vertical hole.

The geological interpretation was supplied on paper section by Giralia geologists and modelled by CSA. Iron (Fe) and contaminant grades were modelled using search criteria based on geostatistical analysis. Variograms were produced for Fe, SiO₂, Al₂O₃, P, S, and LOI for the main zone, but the lenses below the main zone and the northern zone did not have enough data to create variograms and were modelled using the main zone variograms. Density was conservatively assumed to be 3.3 based on other deposits in the region.

Fe variograms indicate ranges of about 490m along a major axis dipping 10 to 230, 330m to 140 and 45m in the sub-vertical minor axis.

A single search ellipse was used to ensure the same set of samples was used for each cell, but each element was interpolated using its own variogram models. The primary search ellipse was 60% of the variogram ranges, 290m x 200m x 27m respectively. A minimum of 12 samples and a maximum of 30 samples were used, and grades were interpolated into 50 x 50 x 10m parent cells.

QA/QC data was supplied for the drillhole assays. 1723 sample assays were provided with 135 duplicate assays (71 field duplicates and 64 laboratory check assays) which showed close correlation with two exceptions.

The in-situ grades were interpolated using Ordinary Kriging (OK) and validated by:

- Visually comparing composite grades and model grades in sliced steps in plan and easting;
- Generating stepped comparisons of composites to model grades in each axis;
- Comparing mean of each zone for composite and assay data; and
- Comparing grade distributions of the drill holes and block model for each of the assayed elements.

The resource is classified as an Inferred Mineral Resource.

This estimate is reported under the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2004 Edition). The estimate was carried out by Mr Chris Allen, of CSA Global Ltd who is a Member of the Australian Institute of Geoscientists (MAIG), and who 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 by the Code.

A detailed resource modelling report is being prepared. Please contact me for any enquiries and feedback in regard to this preliminary resource estimate.

Yours sincerely



Chris Allen
Senior Resource Consultant
CSA Global Pty Ltd