

ASX ANNOUNCEMENT

THICK ZONES OF HIGH GRADE HEMATITE DISCOVERED AT MT WEBBER- DALTONS JV

- Encouraging early results from the first 3 holes from initial iron ore drilling of main southern hill at Mt Webber;
 - **58m @ 58.3% Fe from surface, including 50m @ 59.6% Fe, 1.4% Al₂O₃**
 - **32m @ 58.4% Fe, 1.7% Al₂O₃ from 2 metres depth**
 - **82m @ 55.1% Fe from surface, including 50m @ 57.9% Fe, 1.8% Al₂O₃**
- Project located 150 kilometres south of Port Hedland, and close to existing rail
- Ongoing drilling continues to intersect thick zones of hematite mineralisation

The Directors of Giralia Resources NL (Giralia) are very pleased report the first results from drilling at the main southern hill at the Mt Webber iron ore prospect, at the Company's Daltons Joint Venture (Giralia 75% interest with Haoma Mining NL 25% interest), located 150 kilometres south of Port Hedland in the Pilbara region of Western Australia. The Daltons JV tenements lie only 30 kilometres east of the BHP Billiton and FMG rail lines and host around 30 strike kilometres of Archaean age Banded Iron Formation. Haoma retains rights to gold/silver and tin/tantalum mineralisation.

A substantial 650 metres by 400 metres zone of strong hematite enrichment has been defined on the southern hill at Mt Webber on the Daltons JV tenements, directly adjoining Atlas Iron Limited's (Atlas) Mt Webber prospect. Atlas recently reported significant iron ore drilling results from initial drilling of its portion of the Mt Webber project including **66 metres @ 58.5% Fe, 1.9% Al₂O₃, 0.09% P, and 44 metres @ 60.1% Fe, 1.3% Al₂O₃, 0.09% P** from the western range.

An earlier 16 hole drill program in June 2009 on the Daltons JV tenements tested a more easily accessible smaller 200 metre by 200 metre hematite zone on the northern end of the eastern range at Mt Webber. Drilling of the northern hill intersected a hematite-enriched zone from surface to a depth of up to 80 metres below surface, with better intersections including: **16 metres @ 58.5% Fe, 34 metres @ 55.2% Fe, and 16 metres @ 56.1% Fe (RCDW013).**

Due to difficulties in the building of an access track to the steeper and larger southern hill at the Mt Webber project, drilling has only just commenced in late July. Assay results for the first 3 holes completed are just to hand and confirm thick zones of hematite mineralisation with low alumina. Mineralisation starts at or very near surface. Intersections in the first 3 holes include; **58 metres @ 58.3% Fe from surface, including 50 metres @ 59.6% Fe, 1.4% Al₂O₃, 32 metres @ 58.4% Fe, 1.7% Al₂O₃ from 2 metres depth, and 82 metres @ 55.1% Fe from surface, including 50 metres @ 57.9% Fe, 1.8% Al₂O₃.**

Ongoing drilling continues to intersect thick zones of visually identified hematite mineralisation. Further assay results will be reported when available.

Table 1; Intersections Mt Webber southern (main) hill, RC drilling July 2009:

Hole No	Coordinates		Dip/Az	Depth (m)	From (m)	To (m)	Interval (m)	Fe (%)	P (%)	SiO2 (%)	Al2O3 (%)	LOI
	East MGA94_50	North										
RCDW017	738863	7617252	60/90	76	2	34	32	58.4	0.05	6.8	1.7	7.4
RCDW018	738952	7617233	60/90	88	0	58	58	58.3	0.11	4.4	1.9	9.4
				incl.	6	56	50	59.6	0.11	3.1	1.4	9.2
RCDW019	739041	7617249	60/90	88	0	82	82	55.1	0.07	8.9	1.8	8.9
				incl.	16	66	50	57.9	0.07	5.6	1.8	8.5

RC drill samples collected as 2m composites. Intersections quoted using lower cut-offs of 50% Fe. All coordinates in MGA Zone 50 GDA 94, by hand held GPS ($\pm 5m$). XRF analyses by Spectrolab Laboratory Geraldton. QA/QC included typically field duplicate samples and two standards (Certified Reference Material), comprising one coarse standard and one pulverised standard for each drill hole.

**R M Joyce
DIRECTOR**

3 August 2009

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 the information in the form and context in which it appears.

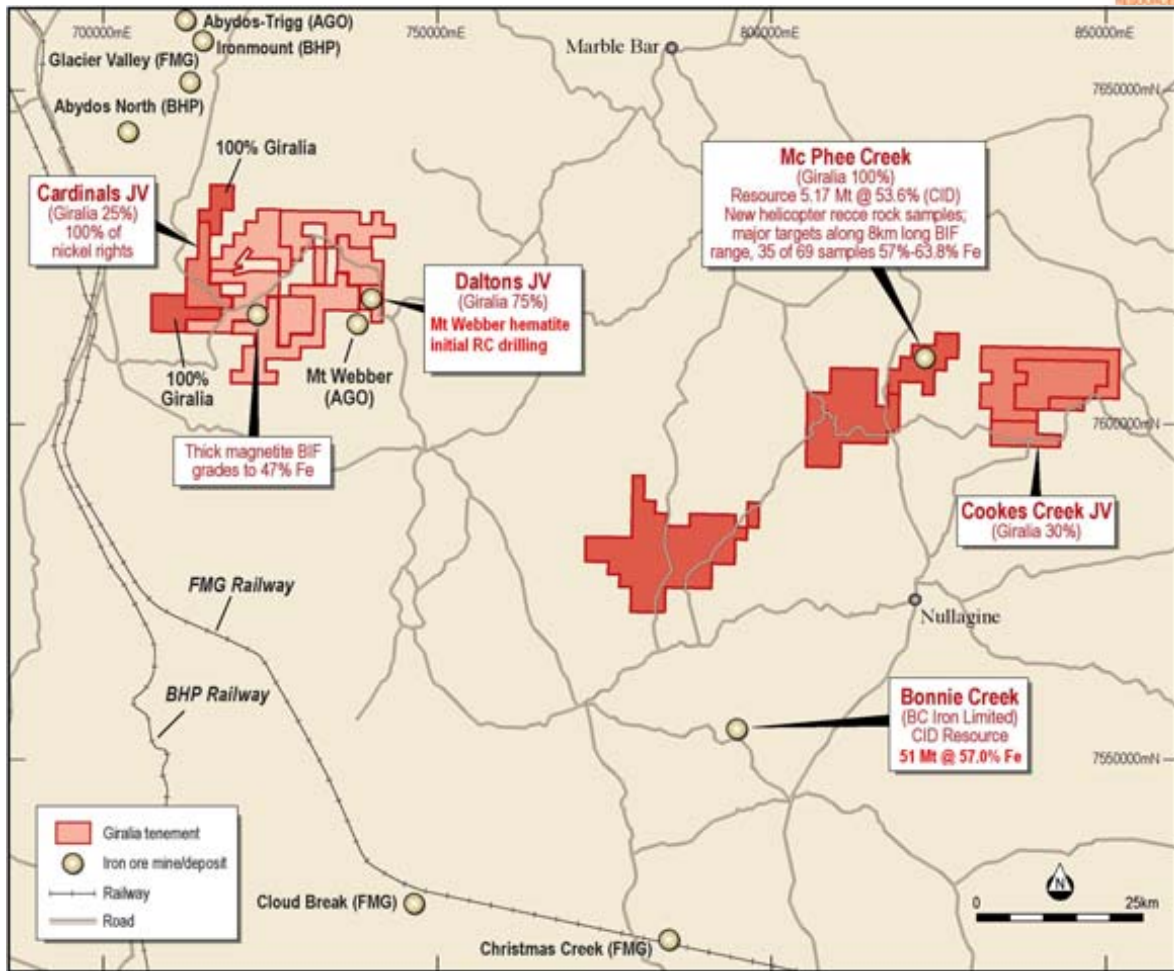


fig 1; Location plan Daltons JV tenements

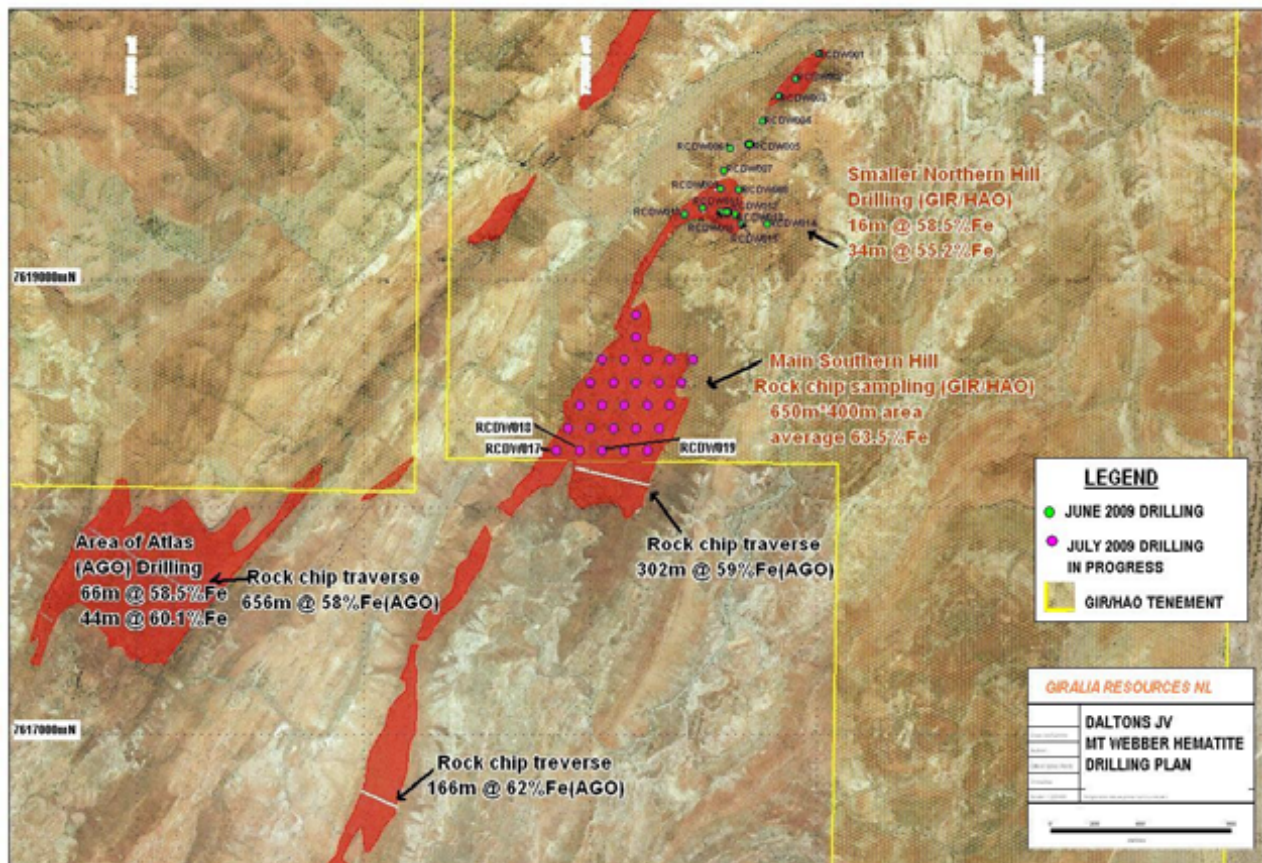


fig 2; Daltons JV Mt Webber iron ore prospect. JV tenements in Yellow

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 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. Initial drilling March 2009; **72 metres @ 32.4%Fe, 52.4 metres @ 31.6 %Fe**. Coarse magnetite; excellent DTR testwork.

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.

<u>Company</u>	<u>ASX code</u>	<u>key commodity</u>	<u>Giralia stake</u>
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	~5.1%
Peninsula Minerals Limited	PEN	uranium	~ 2%