

## QUARTERLY REPORT FOR THE THREE MONTHS ENDING 31 MARCH 2009

### EXPLORATION

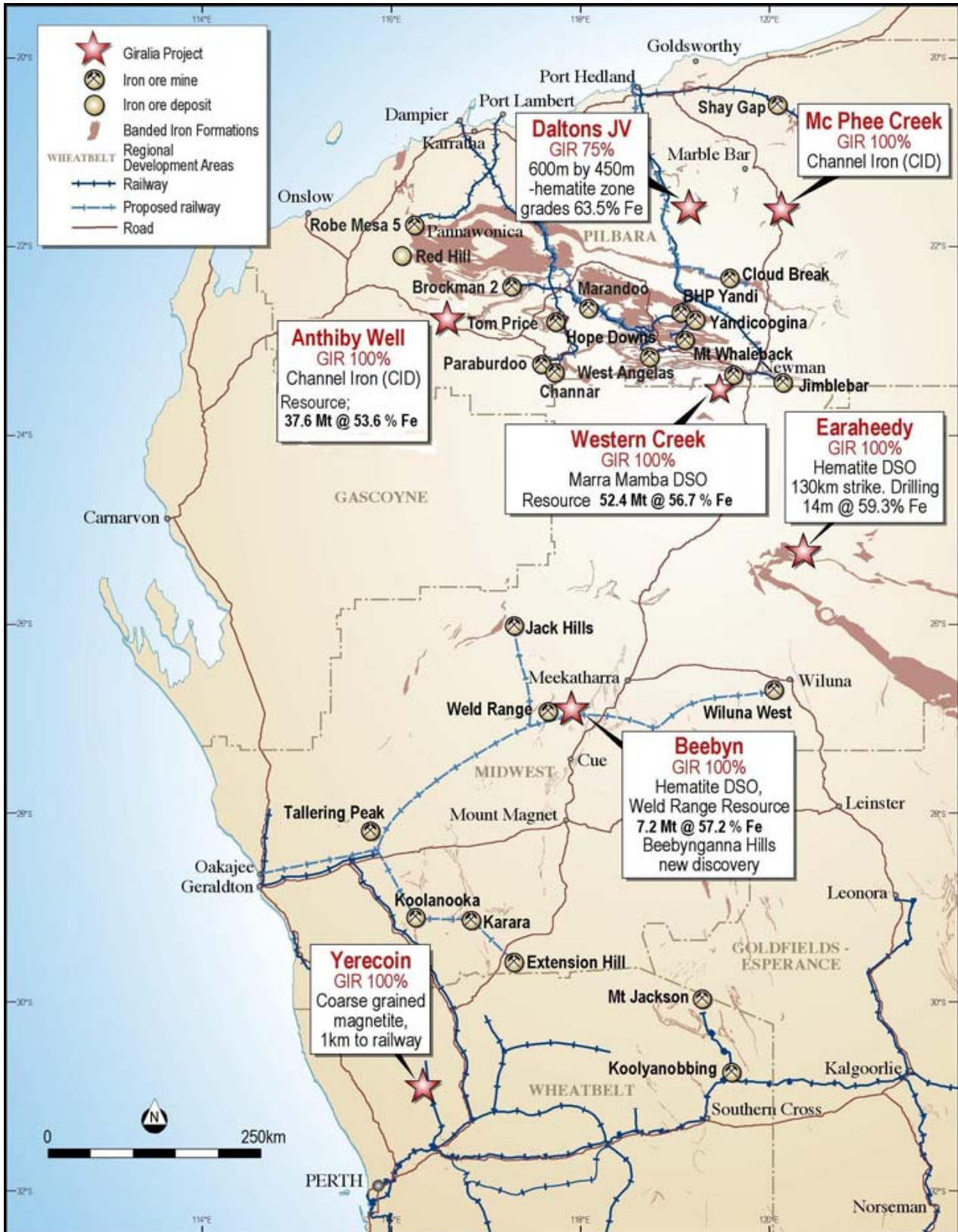
Giralia's cash balance was approximately \$71 million at 31 March 2009. JORC resources were substantially increased at the Company's iron ore projects during the quarter;

- **Western Creek Iron Ore Project (100%):** Giralia's near surface JORC hematite resource at Western Creek was further increased to **52.4 million tonnes @ 56.7% Fe**. The entire resource is within 50 metres of surface, only 15 kms from railway facilities at Newman. Further drilling is planned at the new Homestead prospect 10 km to the north which returned first pass drilling results including **20 metres @ 55.2% Fe and 6 metres @ 57.3% Fe**.
- **Anthiby Well Iron Ore Project (100%):** Initial JORC resource **37.6 million tonnes @ 53.6% Fe (59.1%CaFe)** within 40 metres of surface. Drilling results include **32 metres @ 55.1% Fe incl. 24 metres @ 56.0% Fe**. This is a new discovery of channel iron (CID) mineralisation, 100 km west of Paraburdoo in the Pilbara region.
- **Yerecoin Iron Ore Project (100%):** Initial wide spaced drilling in March 2009 at the Yerecoin magnetite project 150 km north of Perth returned intersections including **72 metres @ 32.4% Fe incl. 56 metres @ 35.7% Fe and 50 metres @ 30.3% Fe**. Excellent magnetic separation results returned from sighter Davis Tube tests with typical DTR concentrate grades **> 70% Fe, < 2% SiO<sub>2</sub>**, and typical weight recoveries **> 40%**. Exceptionally coarse grind size for magnetite liberation. Key is existing railway within 1 kilometre.
- **Daltons Iron Ore Project (75%):** Road construction is in progress to access drill sites at the exciting Mt Webber prospect in the Pilbara, with drilling now fully permitted for a planned May-June 2009 start.
- **Beebyn Iron Ore Project (100%):** Permitting is well advanced for another substantial phase of drilling to extend the current JORC hematite resource of **7.2 million tonnes @ 57.2% Fe** at the Beebyn-Weld Range deposit in WA's Mid West along with further drill testing of hematite zones at the nearby Beebynganna Hills discovery, where first pass intersections included **10 metres @ 57.7% Fe, and 6 metres @ 61.8% Fe**. Drilling is planned for late May 2009.
- **Earaheedy Iron Ore Project (100%):** The Company is permitting a further 120 hole program of RC drilling for likely July 2009 start at the Earraheedy project, to follow up significant results from late 2008 drilling including; **20 metres @ 55.7% Fe, 12 metres @ 57.3% Fe** (from surface), and **12 metres @ 56.1% Fe within 38 metres @ 53.6% Fe (open at end of hole)**. The new program will include drilling of many of the remaining 15 untested hills of high grade hematite outcrop.

### CORPORATE

In addition to a cash balance of over \$71 million at 31 March 2009, the Company also holds the following strategic stakes in several ASX listed companies, largely as a result of the spin-off of independently managed and funded companies over the last 2 years.

<b>PacMag Metals Limited</b>	("ASX: PMH")	<b>copper</b>	<b>Giralia ~10.4% stake</b>
<b>U308 Limited</b>	("ASX: UTO")	<b>uranium</b>	<b>Giralia ~16.3% stake</b>
<b>Zinc Co Australia Limited</b>	("ASX: ZNC")	<b>zinc</b>	<b>Giralia ~12% stake</b>
<b>Carpentaria Exploration Limited</b>	("ASX: CAP")	<b>NSW, Qld</b>	<b>Giralia ~10.4% stake</b>
<b>Hazelwood Resources Ltd</b>	("ASX: HAZ")	<b>nickel</b>	<b>Giralia ~ 5% stake</b>
<b>Peninsula Minerals Limited</b>	("ASX: PEN")	<b>uranium</b>	<b>Giralia ~ 2% stake</b>



Location of Giralia's Western Australian iron ore projects

## EXPLORATION

### IRON ORE PROJECTS

#### Western Creek Iron Ore Project – (Giralia 100%)

Giralia's 100% owned Western Creek tenements adjoin the BHPBilliton Mt Newman iron-ore mining leases in the Western Ridge area around 15 kilometres west of Newman in the Pilbara region of Western Australia.

On 11 March 2009 the Company reported a further 28% increase to the Inferred Mineral Resource for the Company's Western Creek project directly adjoining BHP Billiton's Marra Mamba Formation hosted Silver Knight iron ore deposit.

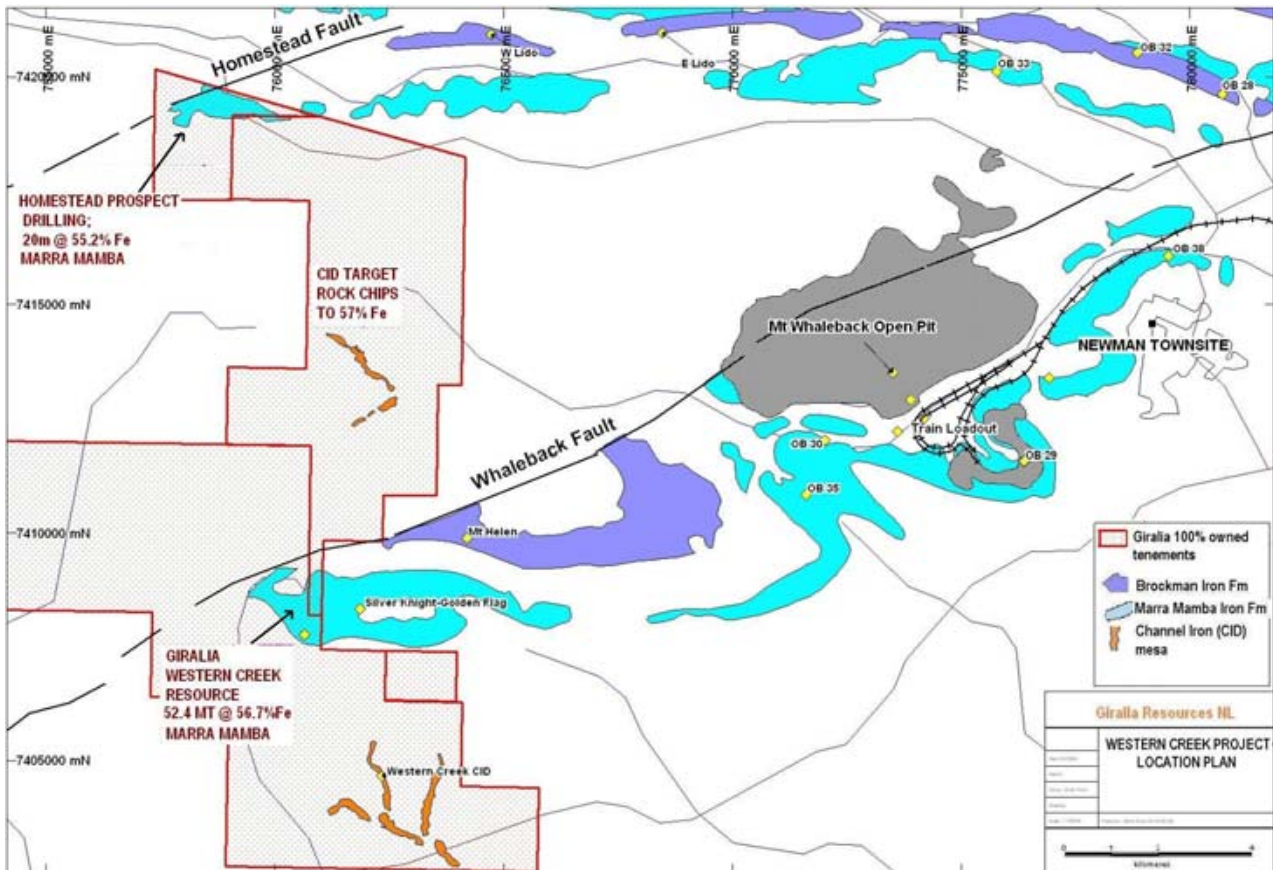
This latest increased Mineral Resource estimate incorporates results from drilling in December 2008. Positive results, particularly in the North Marra Mamba zone, resulted in the substantial increase in resource in this area. Better intersections included **36 metres @ 58.0% Fe** from 16 metres depth 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 RCWC10.

The new estimate resulted in the addition of 11.7 million tonnes, 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 %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	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
<b>Total Marra Mamba</b>	<b>Total</b>	<b>49.2</b>	<b>56.9</b>	<b>0.06</b>	<b>6.0</b>	<b>3.5</b>	<b>9.1</b>	<b>0.08</b>
Detrital Zones	Inferred	3.2	54.1	0.04	8.9	6.5	5.6	0.05
<b>Overall Total &gt;50%Fe</b>	<b>Total</b>	<b>52.4</b>	<b>56.7</b>	<b>0.06</b>	<b>6.2</b>	<b>3.6</b>	<b>8.9</b>	<b>0.08</b>
<b>Overall Total &gt;56%Fe</b>	<b>Total</b>	<b>32.6</b>	<b>58.3</b>	<b>0.06</b>	<b>4.9</b>	<b>3.0</b>	<b>8.9</b>	<b>0.09</b>
<b>Overall Total &gt;58%Fe</b>	<b>Total</b>	<b>16.5</b>	<b>59.6</b>	<b>0.07</b>	<b>3.9</b>	<b>2.6</b>	<b>8.6</b>	<b>0.08</b>

Internationally recognised geological consultants CSA Global Pty Ltd (CSA) were commissioned by Giralia to complete the updated resource estimate for the Western Creek deposits based on 156 reverse circulation ("RC") drill holes completed to date, including results from a 71 hole (4062 metres) RC drilling program completed at Western Creek in December 2008.



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

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, following completion of a detailed aeromagnetic survey due to commence in late April.

### Beebyn Iron Ore Project - (Giralia 100%)

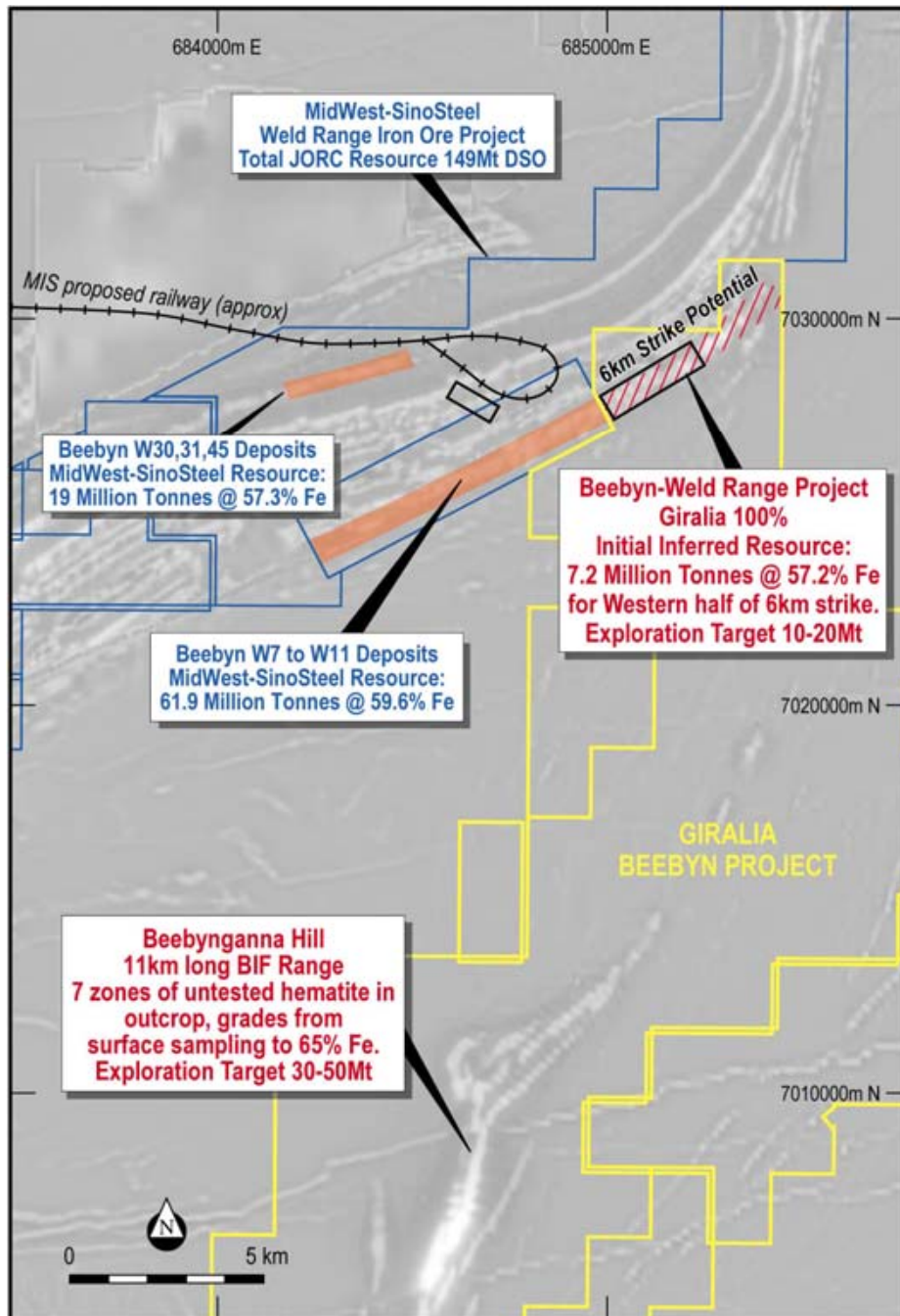
Giralia's 100% owned Beebyn project is located in the emerging new MidWest iron ore province of Western Australia. Importantly, 3<sup>rd</sup> party access rail infrastructure is proposed right to Giralia's "doorstep". The Company was pleased to note the announcement on 20 March 2009 that the WA State Government has executed a State Development Agreement with the proponent of the Oakajee port and rail infrastructure.

Two target areas for hematite direct shipping ore ("DSO") have been identified at Beebyn. The "**Beebyn-Weld Range**" prospect comprises a 6 kilometre long segment of the north-eastern Weld Range, immediately along strike from the Sinosteel Corporation project. Giralia has outlined an initial JORC Inferred Resource estimate of **7.2 million tonnes @ 57.2 % Fe** for hematite DSO, based on the first 44 RC drill holes completed to date. At the "**Beebynganna Hills**" prospect, an 11 kilometre long iron formation range located 15 kilometres to the south of the Weld Range, surface mapping and sampling by the Company has identified high grade bedded hematite in outcrop. Late 2008 initial drilling of the three most easily accessed of the seven mapped hematite zones at Beebynganna Hills returned several intersections of hematite mineralisation, including **10 metres @ 57.7% Fe** and **6 metres @ 61.8% Fe**. Hematite mineralisation persists to considerable depth (in excess of 100 metres)

along the western of two parallel iron formation units tested in the middle of the Beebynganna range. Additionally several holes into the eastern most iron formation intersected thick continuous zones of magnetite rich banded iron formation including hole RCBH042, which returned 108 metres @ 35.2% Fe from surface to end of hole.

Analytical results from the recent phase of Weld Range drilling suggest likely extensions to the east of the Beebyn W24 deposit, including intersections of **12 metres @ 59.3% Fe**, and **6 metres @ 59.0% Fe** at end of hole.

During the March quarter flora surveys were completed at both the Weld Range and Beebynganna Hills preparatory to further drilling planned for late May 2009.



*Beebyn Project locations on grey scale aeromagnetic image*

### Earaheedy Iron Ore Project (Giralia 100%)

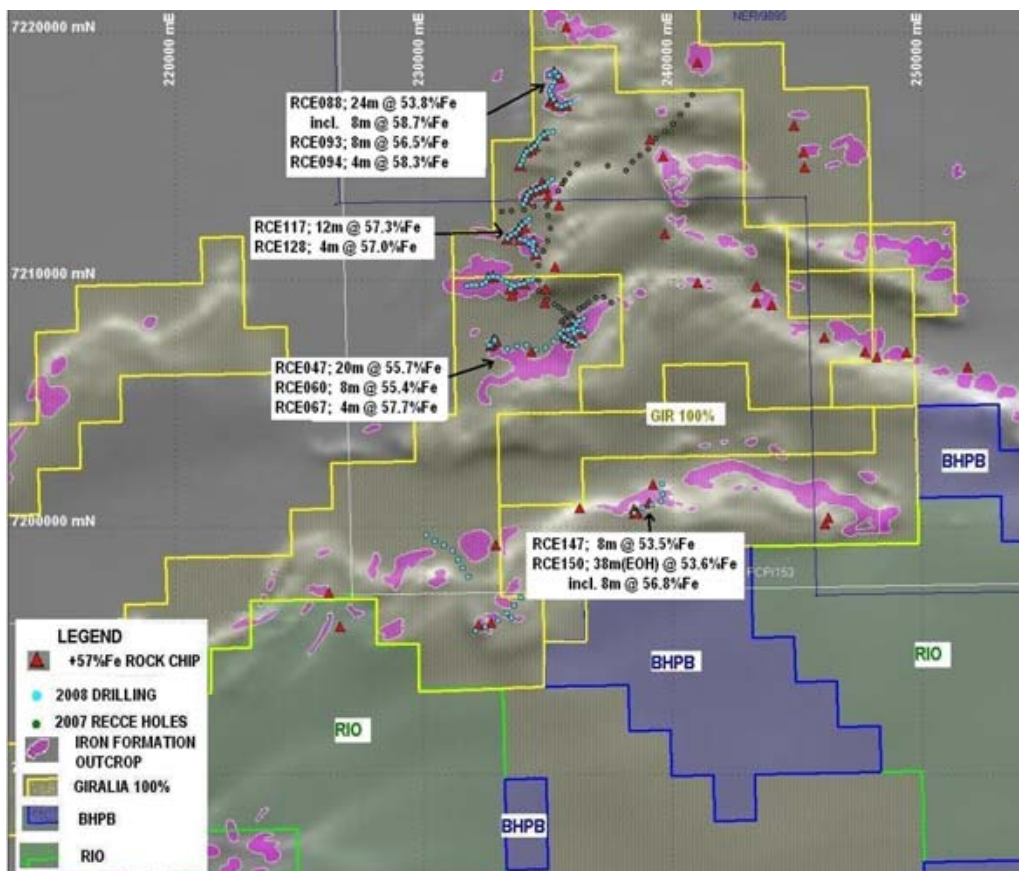
Giralia's 100% owned tenements cover 570 square kilometres, including 130 strike kilometres of the most iron-ore prospective areas of the Miss Fairbairn Hills in the northern Earaheedy Basin, 100 km north of Wiluna, and 200 km south of Newman in Western Australia.

A 121 hole RC drilling program was completed in late 2008 to test for direct shipping iron ore beneath widespread hematite outcrops in the Miss Fairbairn Hills area. A total of 8 of the 23 hills of known +57% Fe outcrop were tested in Giralia's first significant drill program, which involved single traverses of mostly 200 metres spaced vertical holes along new tracks constructed to access the crests of the low hills.

Of the 8 hills tested in this initial program, 4 produced significant intersections of hematite at shallow depths. The results are regarded as encouraging and confirm deep penetrative hematite enrichment of the iron formations in the Miss Fairbairn Hills, with many intersections commencing from surface.

Better intersections include hole RCE047; hematite mineralization from surface to end of hole, including **20 metres @ 55.7% Fe**, within an overall zone of 40 metres @ 51.6% Fe, hole RCE088; 24 metres @ 53.8% Fe from surface including **8 metres @ 58.7% Fe**, hole RCE117; **12 metres @ 57.3% Fe** from surface and hole RCE150; **38 metres to end of hole @ 53.6% Fe, including 8 metres @ 56.8% Fe**.

Further drilling at Earaheedy, once permitted, will target extensions to mineralised intercepts along with first pass tests of additional hills of hematite outcrop, particularly in the lightly explored east and south of Giralia's tenements. Flora surveys are planned for May 2009.



*Earaheedy Project, grey scale aeromagnetics with Giralia tenure (yellow) showing iron formation outcrops (pink) and October-November 2008 drilling (blue dots).*

### Anthiby Well (Giralia 100%, subject to production royalty)

On 27 March 2009 the Company reported an initial Inferred Mineral Resource for the Company's 100% owned Anthiby Well iron ore project, located around 100 kilometres west of Paraburdoo in the Pilbara Region of Western Australia, based on an RC drilling program of 87 holes (2644 metres) completed in mid December 2008 to test several channel iron mesas on an approximately 200 metre by 100 metre pattern. Giralia has resumed 100% interest at Anthiby Well in return for a production royalty.

Giralia's Anthiby Well iron ore project is a new discovery of channel iron (CID) mineralisation. The Mineral Resource comprises mesas of pisolitic iron ore mineralisation. The mineralisation commences at or very near the natural land surface, to a maximum depth of approximately 40 metres. Better drilling intersections include; **32 metres @ 55.1% Fe including 24 metres @ 56.0% Fe, 22 metres @ 56.3% Fe, and 18 metres @ 56.2% Fe.**

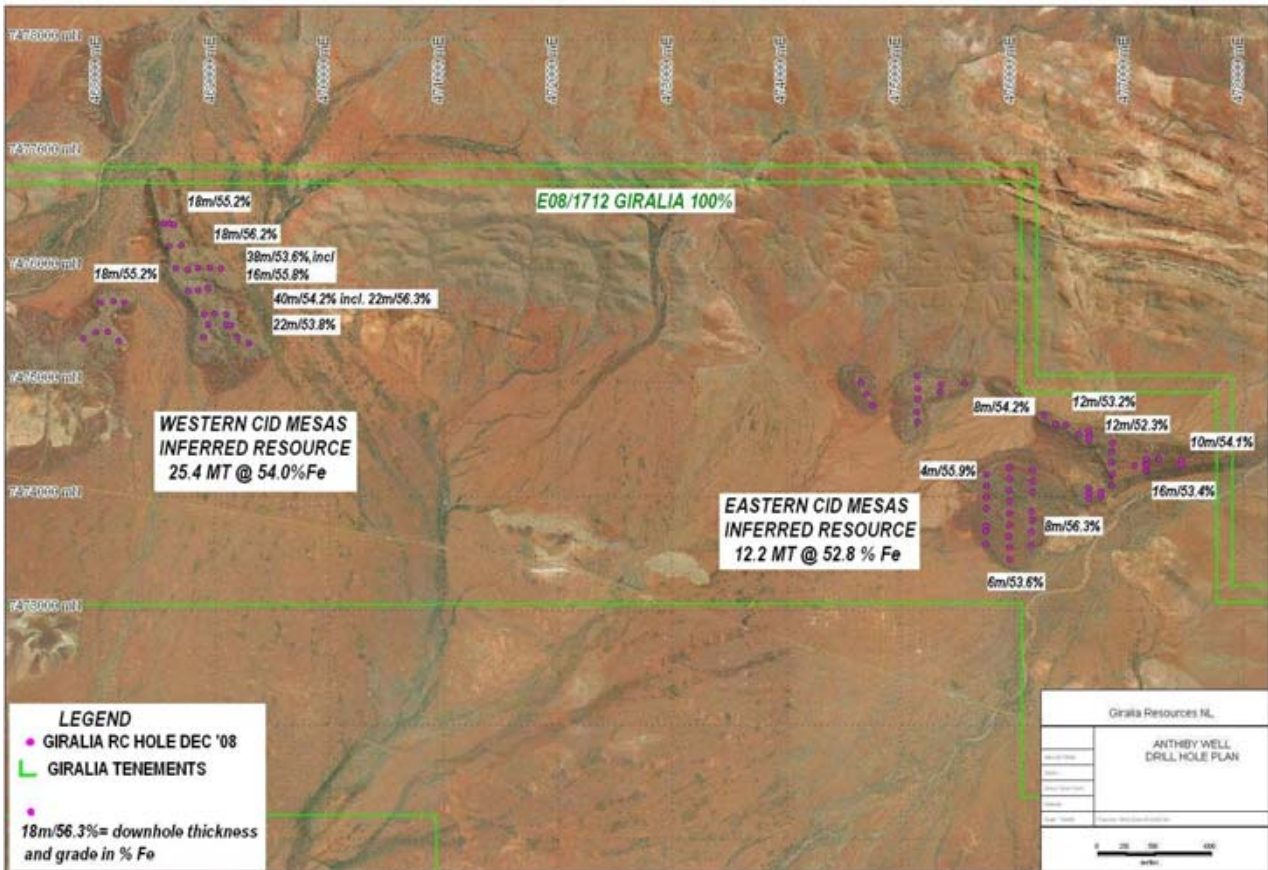
### Giralia Resources - Mineral Resource Estimate

Giralia Resources - Anthiby Well Iron Ore Project - Mineral Resource Estimate									
Anthiby Well Channel Iron Deposits (CID) as at 23 March 2009 (Fe Grade Cutoff >=50 %)									
Deposit	Category	Tonnes (Mt)	Fe %	P %	SiO2 %	Al2O3 %	LOI %	S %	CaFe%
Western Mesas	Inferred	25.4	54.0	0.04	6.5	5.0	9.6	0.02	59.7
Eastern Mesas	Inferred	12.2	52.8	0.03	9.5	4.5	8.7	0.02	57.8
<b>Total CID</b>	<b>Inferred</b>	<b>37.6</b>	<b>53.6</b>	<b>0.04</b>	<b>7.5</b>	<b>4.8</b>	<b>9.3</b>	<b>0.02</b>	<b>59.1</b>
Anthiby Well Siliceous Channel Iron Deposits (SCID) as at 23 March 2009 (Fe Grade Cutoff >=40 % <50 %)									
Deposit	Category	Tonnes (Mt)	Fe %	P %	SiO2 %	Al2O3 %	LOI %	S %	CaFe%
Total SCID	Inferred	25.9	45.9	0.03	14.4	7.2	10.2	0.01	51.1
Anthiby Well combined CID and SCID as at 23 March 2009 (Fe Grade Cutoff >=40 %)									
Deposit	Category	Tonnes (Mt)	Fe %	P %	SiO2 %	Al2O3 %	LOI %	S %	CaFe%
<b>Combined Total</b>	<b>Inferred</b>	<b>63.5</b>	<b>50.5</b>	<b>0.03</b>	<b>10.3</b>	<b>5.8</b>	<b>9.6</b>	<b>0.02</b>	<b>55.8</b>

*Note; CID=channel iron deposit based on lower Fe cut-off of 50%, SCID= siliceous channel iron deposit based on lower Fe cut-off of 40%. Calcined Iron grade (CaFe) is a measure of iron content upon removal of volatiles (i.e. LOI).*

Internationally recognised geological consultants CSA Global Pty Ltd (CSA) were commissioned by Giralia to complete the initial resource estimate for the Anthiby Well deposit. Delineation of this updated Mineral Resource is based on 87 reverse circulation ("RC") drill holes completed to date at Anthiby Well by Giralia in December 2008.

The Company plans further drilling to test for resource extensions particularly around and to the west of the Western Mesas, and to conduct beneficiation testwork to establish whether the lower grade CID and SCID mineralisation is amenable to low cost upgrading using screening.



*Anthiby Well drillhole locations on airphoto showing selected CID intersections.*

### **Yerecoin Iron Ore Project – (Giralia 100%)**

Giralia's wholly owned Yerecoin project is located 10 kilometres east of New Norcia and 150 kilometres north of Perth, within 1 kilometre of existing rail access. Moderately dipping Archaean aged Banded Iron Formation (“BIF”) outcrops over a strike length of approximately 1.5 kilometres within the tenement area on wooded hills within cultivated paddocks. A detailed aeromagnetic survey flown by Giralia in late 2007 highlighted significant strike extensions to the outcropping iron formations, with around 10 kilometres of strike of magnetic anomalies on Giralia’s tenement. Previous surface rock sampling of the limited outcrops of magnetite rich material by Giralia had returned average grades of in excess of 40% Fe.

An initial program of reverse circulation (“RC”) drill traverses and deeper diamond core holes was completed in February-March 2009 to test the subsurface grade and thickness of the iron formations and provide fresh material for metallurgical testwork. A total of 23 holes (2043 metres) were completed including 3 diamond core tails (295.5 metres) in five drill traverses across outcropping and buried BIF units over around 3 kilometres of strike.

Three traverses tested a north-north-west trending BIF range over 2 kilometres long and largely covered with remnant vegetation. Here the BIF unit dips at approximately 65 degrees to the north east and is up to 80 metres thick. Better intersections of banded magnetite rich material include hole RCY001; 72 metres @ 32.4% Fe, RDY002; 52.4 metres @ 31.6 % Fe, and RDY004; 36.8 metres @ 30.5% Fe.



Two further traverses tested a 1 kilometre long east-north-east striking magnetic anomaly beneath wheat paddocks to the north. The BIF unit dips more shallowly (average around 45 degrees to the south east) in this area and comprises a massive magnetite rich BIF layer up to 80 metres thick with further bands of magnetite intercalated with granite-gneiss in the footwall. Significant intersections included RDY017; 50.6 metres @ 30.2% Fe within 116.26 metres @ 21.7% Fe.

**Table 1; February-March 2009 Drilling Yerecoin Project Intersections >20% Fe**

Hole No	Type	Depth	Precollar	East	North	incl	azim	From	To	Intersection	Fe%
RCY001	RC	113		439764	6575714	-60	250	24	96	72	32.4
							incl	24	80	56	35.7
RDY002	DDH	274	83	439897	6575781	-60	250	188.64	241.08	52.44	31.6
RCY003	RC	101		440102	6575448	-60	250	32	48	16	29.1
RDY004	DDH	156.2	131	439974	6575372	-60	250	100	136.8	36.8	30.5
RCY008	RC	77		439662	6575718	-60	280	0	24	24	29.5
RCY010	RC	83		439522	6576495	-60	270	36	60	24	27.0
RCY012	RC	89		439740	6576500	-60	270	36	72	36	23.8
RCY013	RC	89		439838	6576496	-60	270	72	84	12	21.6
RCY015	RC	59		440524	6577399	-60	360	24	32	8	24.9
RCY016	RC	71		440499	6577315	-60	360	24	60	36	29.6
RDY017	DDH	189.3	101	440498	6577197	-60	358	60	176.26	116.26	21.7
							incl	60	110.6	50.6	30.2
RCY020	RC	37		439998	6577159	-60	4	12	28	16	33.2
RCY021	RC	65		440198	6575497	-60	251	52	65eoh	13	31.4
RCY022	RC	60		440002	6577162	-80	180	12	42	30	28.9
RCY023	RC	60		439764	6575710	-90	0	42	60eoh	18	34.9

*RC prefix =reverse circulation hole, RD prefix= diamond drilled tail. Drill core samples ¼ NQ2, RC samples 4 metre composites. Analyses by XRF Spectrolab Geraldton. NSV=no magnetite zones with Fe grades >20%. eoh=open at end of hole*

Sighter Davis Tube recovery testwork was completed on a selection of pulp samples from the drilling program to establish magnetic separation characteristics. Results from the sighter magnetite recovery tests are very positive, returning average weight recoveries of in excess of 40%, and DTR concentrate grades of over 70% Fe, and less than 2% SiO<sub>2</sub>, which indicate potential for a premium product.

**Table 2; sighter DTR results on unoxidised pulp samples with original grade >30%Fe**

Hole	Fr (m)	To (m)	original Fe%	DTR	DTR	DTR	DTR	DTR	Weight Recovery%
				Fe%conc	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P%	S%	
RCY001	60	64	30.03	<b>71.35</b>	1.76	0.32	0.006	0.005	<b>33.56</b>
RCY004	104	108	36.86	<b>72.32</b>	0.86	0.14	0.001	0.001	<b>49.98</b>
RCY012	64	68	34.16	<b>71.43</b>	1.24	0.55	0.005	0.004	<b>30.73</b>
RCY016	44	48	38.57	<b>71.58</b>	1.38	0.14	0.003	0.002	<b>49.78</b>
RCY017	60	64	34.16	<b>71.35</b>	1.47	0.23	0.007	0.001	<b>40.52</b>
RCY017	80	84	32.77	<b>69.56</b>	2.94	0.55	0.005	0.004	<b>39.04</b>
RDY002	192	194	37.81	<b>70.81</b>	2.14	0.12	0.003	0.001	<b>44.9</b>
RDY002	215	217	31.8	<b>70.69</b>	2.02	0.26	0.004	0.001	<b>40.52</b>
<b>Average</b>			<b>34.5</b>	<b>71.14</b>	<b>1.73</b>	<b>0.29</b>	<b>0.004</b>	<b>0.002</b>	<b>41.13</b>

*Sighter Davis Tube testwork completed at Spectrolab Geraldton on selected pulverised material from RC chips and drill core. Sizing indicates P80 ranging from 42 to 82 microns.*

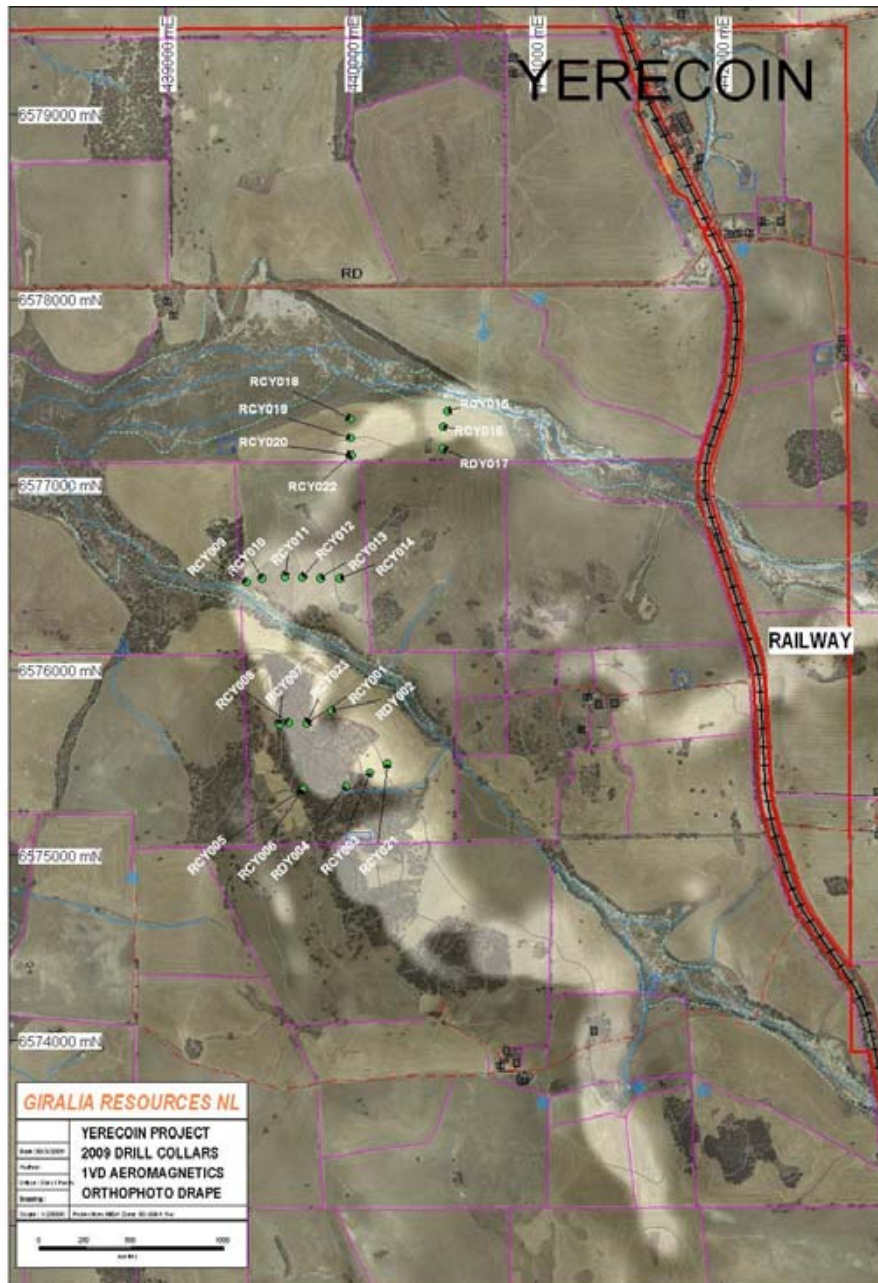
Further grind optimisation testwork just received indicates that the mineralisation has very favourable liberation characteristics, and is amenable to much coarser grinding than is usual for Western Australian magnetite deposits. The work has established the optimum grind size for magnetite liberation is likely to be coarser than 80% passing 75 microns, and even at 80% passing 150 microns a concentrate grading 69.3% Fe and 3.37% SiO<sub>2</sub> was returned.

**Table 3: Grind optimisation test results**

sample	weight recovery	Fe%	SiO <sub>2</sub> %
P80 32 microns	45.4	71.4	0.49
P80 38 microns	45.5	71.4	0.56
P80 45 microns	44.5	71.8	0.58
P80 75 microns	44.3	71.6	0.71
P80 150 microns	46.2	69.3	3.37
P80 250 microns	52.2	62.9	11.4

*Note; Grind optimisation testwork completed at AMMTEC, Perth on samples from hole RDY002, 201 to 215 metres, head assay 36.9% Fe, 44.2%SiO<sub>2</sub>. P80 38 microns = 80% passing size*

DTR analysis of all other mineralised drill composites is proceeding at a standard coarse grind developed using the information from the grind testwork.



*Yerecoin 2009 drill hole locations on aeromagnetic image and orthophoto base.*

### **Daltons Joint Venture (Giralia 75%, Haoma Mining NL 25%)**

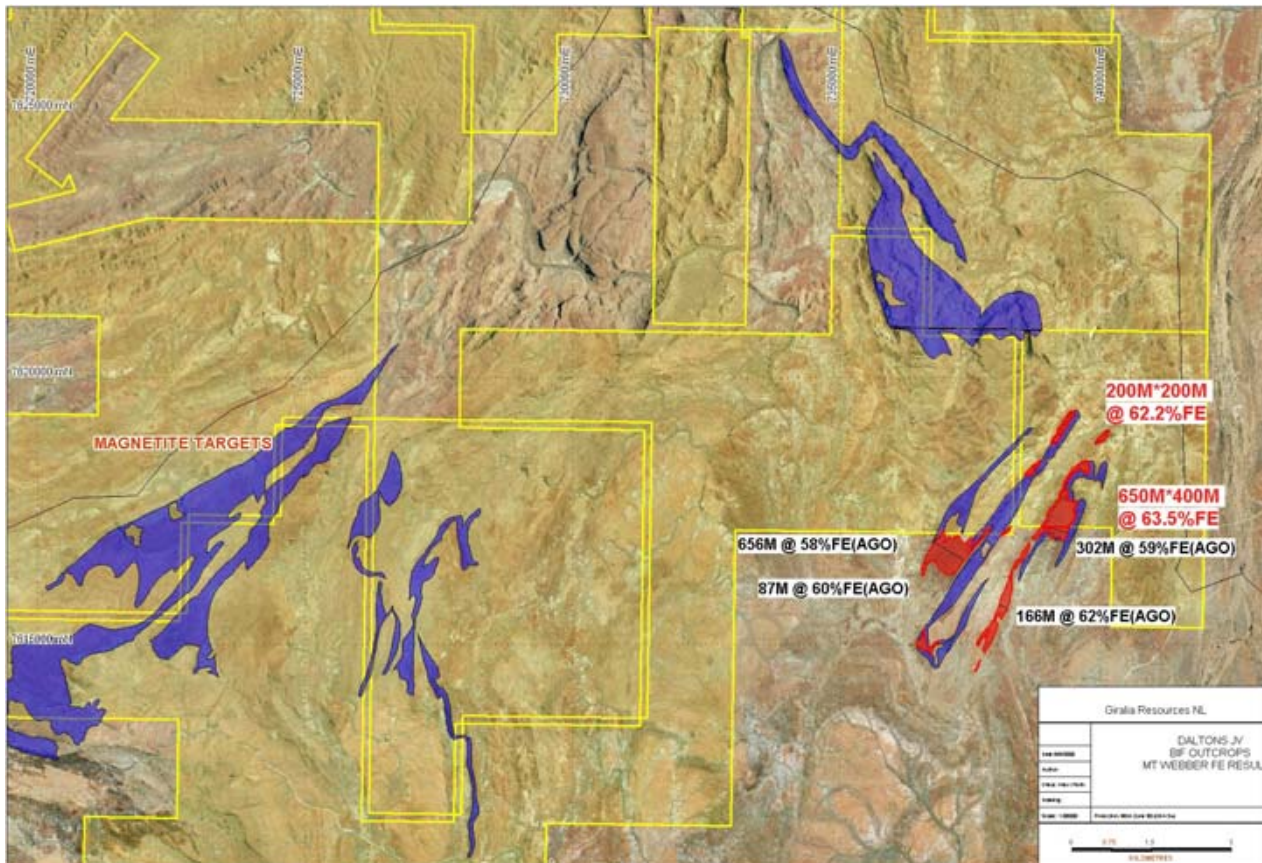
Giralia holds 75% interest with Haoma Mining NL (25% interest) at the Daltons nickel Joint Venture, located 150 kilometres south of Port Hedland in the Pilbara region of Western Australia. Haoma retains rights to gold/silver and tin/tantalum mineralisation.

The Daltons JV tenements lie only 20 to 30 kilometres east of the BHP Billiton and FMG rail lines. Competitor activity for iron ore in the area is intense, with Atlas Iron Limited completing a Pre Feasibility Study on its Abydos deposit around 25 kilometres to the north of the Daltons JV area, and FMG reporting strongly magnetic banded iron formation (“BIF”) up to 400 metres thick from the nearby FMG/Baosteel Glacier Valley magnetite joint venture.

Giralia’s Daltons JV tenements host around 30 strike kilometres of Archaean age BIF mapped by the GSWA as extensions to the units that host iron ore deposits and prospects to the north.

Rock chip samples collected with helicopter support during the September 2008 quarter highlighted a substantial 600 metres by 450 metres zone of strong hematite enrichment in the east of the Daltons JV area where average iron grades exceed 63% Fe. This area is a direct extension of Atlas Iron's Mt Webber prospect, where a rock chip traverse sample of 302 metres @ 59% Fe is reported by Atlas from immediately across the tenement boundary.

Aboriginal Heritage surveys were completed during the quarter and all permitting is now in place for initial drilling at Mt Webber. Track construction has commenced to allow drill rig access to the top of the steep sided, 100 metre high ridge. Subject to completion of a satisfactory access road, drilling will commence in late May 2009.



*Daltons area showing BIF units (blue) and hematite targets (red) with significant sampling results Fe%*

### **McPhee Creek Iron Ore Project - (Giralia 100%)**

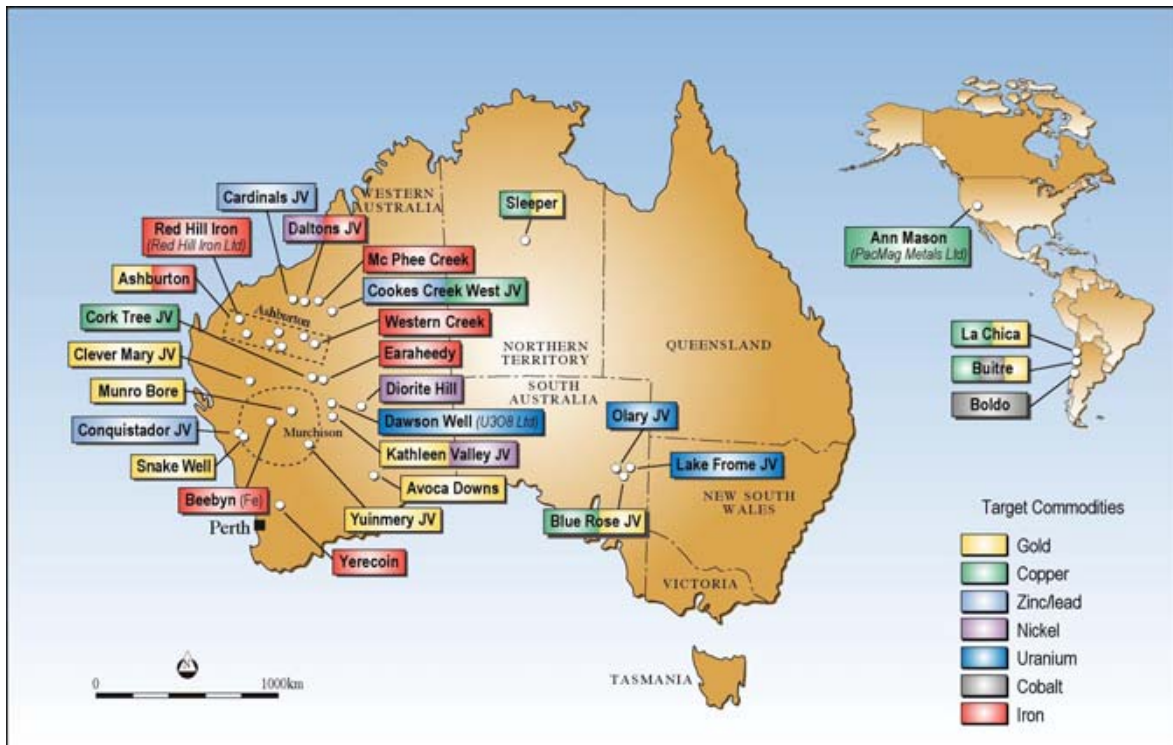
Giralia's wholly owned McPhee Creek tenement lies 220 kilometres south east of Port Hedland, and 50 kilometres north of BC Iron Limited's Bonnie Creek channel iron deposit ("CID").

Initial drilling in April 2008 by Giralia at McPhee Creek comprised 43 shallow RC holes testing the central 1.4 kilometre section of the main "Crescent Moon" CID mesa. Drill intersections from surface included 12 metres @ 56.1 % Fe, 10 metres @ 57.2% Fe, 14 metres @ 55.9% Fe. Geological consultants CSA Global Pty Ltd (CSA) completed an initial resource JORC estimate of **5.17 million tonnes @ 53.6 % Fe (60.4% CaFe)** for the central portion of the Crescent Moon mesa drilled to date.

Helicopter supported rock chip sampling and mapping in July 2008 focussed on another major zone of unexplored iron ore potential evident as an 8 kilometre long range to the west of the Crescent Moon mesa that trends north west through the tenement. Results from sampling were very encouraging with 36 of 69 rock samples returning potentially DSO grades (>57% Fe) along the range which comprises partially CID capped bedded Archaean aged BIF with strong hematite iron ore mineralisation evident over substantial strike lengths. Iron grades reached a maximum of 63.8% Fe.

Planning is in progress to construct an access track to enable drill testing of these targets.

## OTHER PROJECTS



*Location Plan – Giralia Projects*

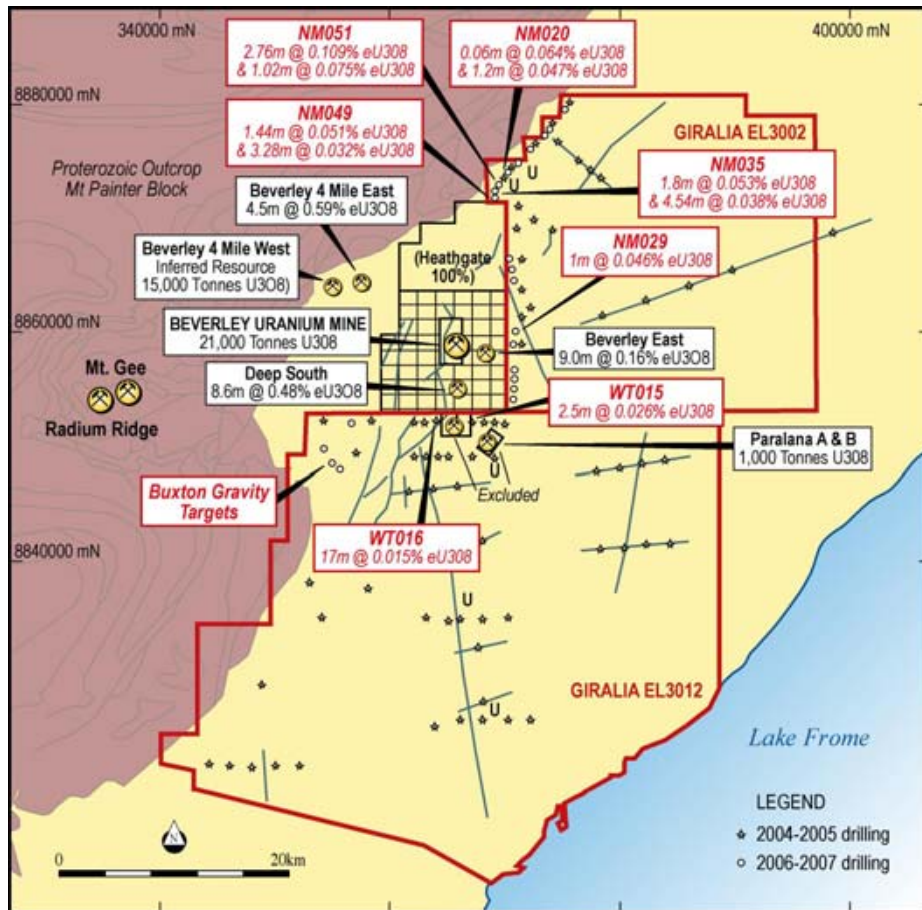
### **Lake Frome Joint Venture (Giralia 25% free carried, Heathgate Resources Pty Ltd 75%)**

The Company's key Lake Frome Joint Venture is located adjacent to the operating Beverley in-situ leach uranium mine in South Australia. The mine owner, Heathgate Resources Pty Ltd ("Heathgate"), an affiliate of the US utility General Atomic, is the holder of one of the few export licences for uranium in Australia and manages a joint venture over Giralia's tenements under which Heathgate can confirm a 75% interest by meeting all expenditure up to a decision to mine, with Giralia free carried at 25%.

On the North Mulga tenement several previous drill holes have reported significant intersections including **2.76 metres @ 0.109 % eU<sub>3</sub>O<sub>8</sub>**, (from 159.84 to 162.6 metres), and **3.76 metres @ 0.038 % eU<sub>3</sub>O<sub>8</sub>** (from 168.22 to 171.98 metres) in hole NM051. Follow up drilling in the September 2008 quarter returned intersections including **1.09 metres @ 0.095 % eU<sub>3</sub>O<sub>8</sub>**, and **0.87 metres @ 0.119 % eU<sub>3</sub>O<sub>8</sub>**.

Giralia's tenements cover around 45 kilometres of strike of the range front marking the edge of Proterozoic basement outcrop both north and south of the Beverley Four Mile discovery, along with the direct extensions of the Beverley East and Deep South deposits. Heathgate has recently extended its mineral production leases at Beverley to the east and south, to now directly adjoin Giralia's tenements.

Heathgate reports that no field work was completed on the JV tenements during the quarter.



Lake Frome JV summary plan

"eU<sub>3</sub>O<sub>8</sub>"-refers to the equivalent U<sub>3</sub>O<sub>8</sub> grade as estimated from downhole gamma logging and provides a more representative sample than chemical assays due to a much larger volume of rock being measured. This method is commonly used to estimate uranium grade in drillholes where the radiation contribution from thorium and potassium is believed to be negligible. Compared to chemical assays, gamma logging also offers a vastly superior resolution, increased precision and does not suffer from contamination.

\*"pU<sub>3</sub>O<sub>8</sub>" - The use of the Prompt Fission Neutron (PFN) tool has the benefit of directly calculating the uranium grade in-situ. Holes NM035 and 035 were tested with both a downhole gamma probe to provide eU<sub>3</sub>O<sub>8</sub> grade estimation, and checked with the prompt fission neutron ("PFN") logging tool. PFN derived grade results (% pU<sub>3</sub>O<sub>8</sub>) confirmed that the radioactive mineral present is uranium.

### Snake Well Gold Project (Giralia 100%)

The Company's 100% owned Snake Well gold project, located 150 kilometres north-east of Geraldton in Western Australia, has a global resource of 170,000 ounces of gold hosted in near surface laterites and quartz lode/shear zone style deposits in an undeveloped Archaean greenstone belt. Giralia's tenements cover 45 kilometres of strike of three parallel mineralised structures.

The Company continued discussions with parties interested in joint development of the Snake Well gold project.

### Snake Well- Conquistador Joint Venture (Zinc Co Australia Limited earning up to 75%, Giralia retains certain gold rights)

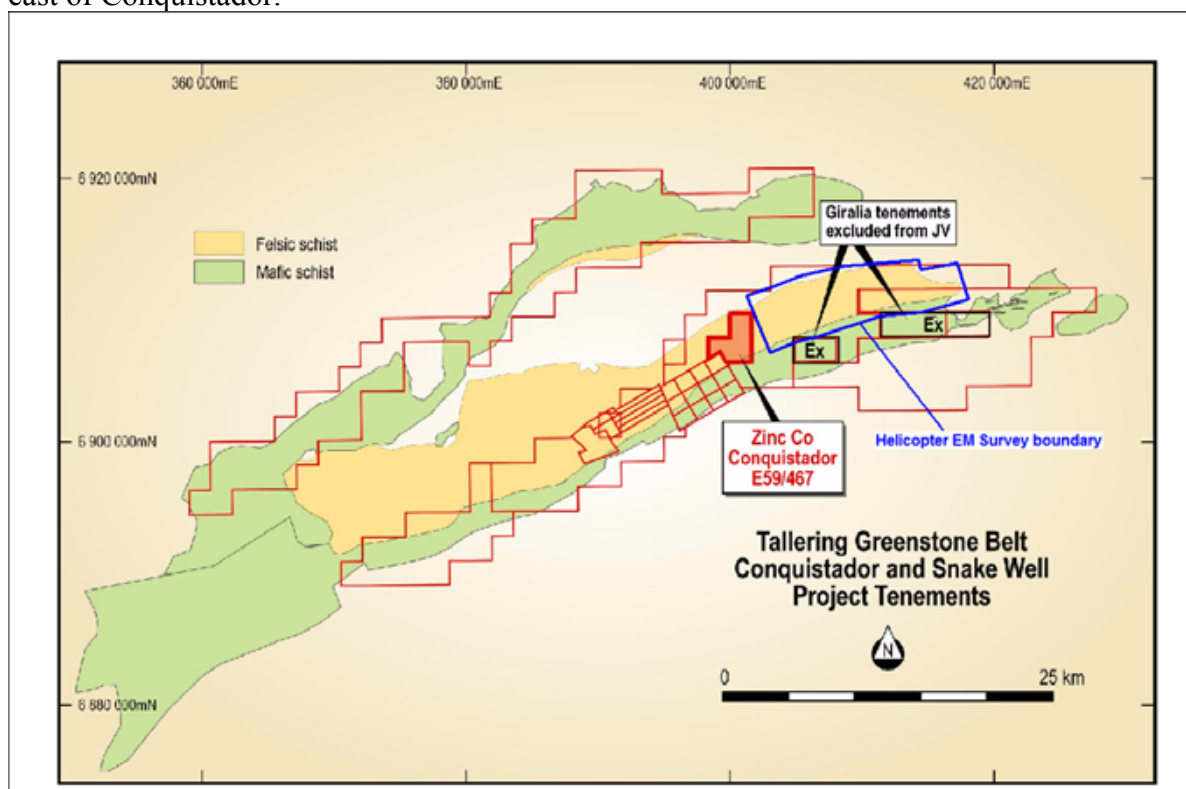
The Conquistador Joint Venture has been expanded to cover most of the area of the Company's Snake Well gold project, excluding the mafic hosted Mixy, Calisi, Warren gold lode systems and the Lop and Buckshot laterite deposits. Zinc Co Australia Limited ("Zinc Co") can earn up to 75% interest, with Giralia retaining certain gold exploration rights.

The JV area now covers 50 strike kilometres of volcanic rocks in the Tallering Greenstone Belt. These rocks are prospective for high unit value volcanic hosted massive sulphide (VHMS) deposits. The setting is similar to that of the world class Golden Grove VHMS deposits (Gossan Hill, Scuddles) 150 kilometres to the south east.

Diamond drilling has previously intersected mineralisation of VHMS style including; 4 metres @ 8.25% Zn, 20.5 g/t Ag, 0.53% Cu and 0.63% Pb from 88 metres and 6.7 metres @ 6.1% Zn including 2 metres @ 18% Zn from 118 metres at Conquistador, and 1 metre @ 4.90% Zn, 14.0 g/t Ag, 0.51% Cu, 0.90% Pb and 5.63 g/t Au from 154 metres, and 2.1 metres @ 2.34% Zn, 13.5 g/t Ag, 0.69 % Cu, 0.22 % Pb and 1.81 g/t Au from 131.4 metres from A-Zone.

A new IP/Resistivity geophysical survey and scout RAB drilling has extended the volcanic hosted massive sulphide (VHMS) footwall style alteration system defined by drilling at the Conquistador Prospect a further 12 kilometres to the east.

In November 2008, Fugro Airborne Surveys completed a 670 line kilometre helicopter electromagnetic (HeliGeotem) survey over volcanics under shallow cover extending 12 kilometres east of Conquistador.



**Conquistador, Snake Well Project – location of HeliGeotem Survey**

Fugro Airborne Surveys completed an interpretation of the HeliGeotem data in the March 2009 quarter. 12 anomalous features were identified. Four of these are ranked first priority for further work. Two are on the southern margin of IP chargeability highs, a position previously identified as a potential massive sulphide position. Two anomalies are outside the area covered by the IP survey.

Planning is in progress to evaluate these anomalies with ground EM and RAB drilling

**Cardinals Joint Venture (Zinc Co earning up to 75%, Giralia retaining nickel rights.)**

The Cardinals project in the Pilbara region of Western Australia covers potential strike extensions to the host rocks of CBH Resources Ltd's Panorama-Sulphur Springs volcanic hosted massive sulphide style ("VHMS") base metals project which is located 35 kilometres to the north east.

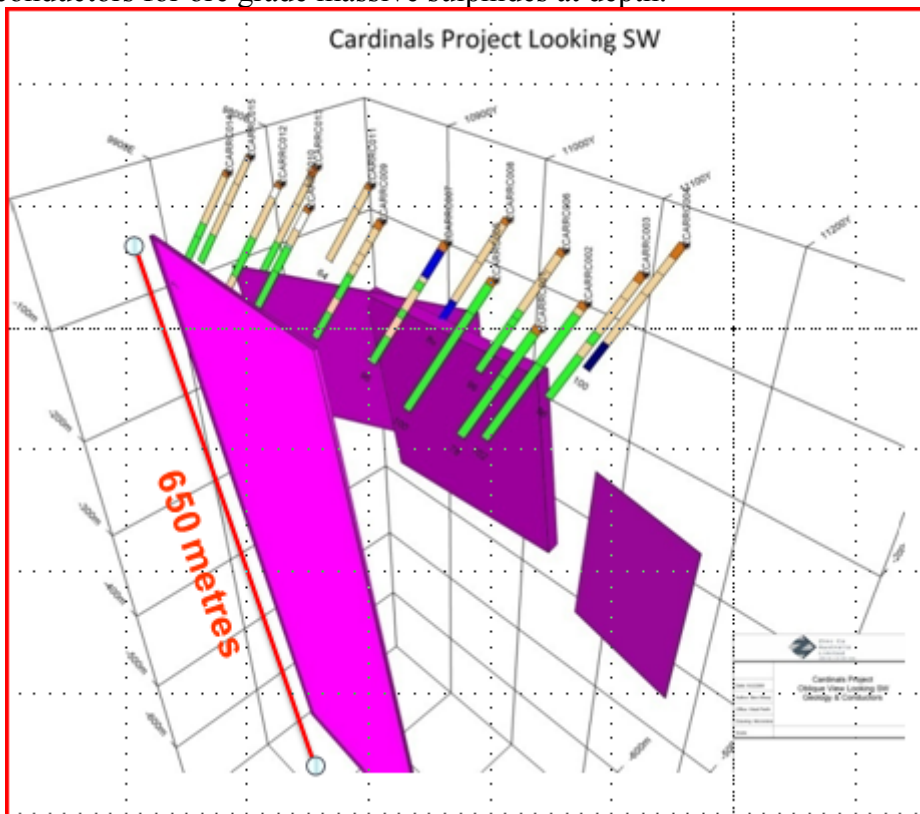
Shallow percussion drilling in the 1970's beneath a gossan assaying 22% Zn returned an intersection of 10 metres @ 5.9% Zn, 0.94% Cu, 36 g/t Ag (including 2 metres @ 13.2% Zn). Rock samples from a second gossan discovery to the south returned up to 16% Zn and 32% Cu. A strong ground EM conductor is associated with the drilling intersections described above, and extends several hundred metres south of the gossan.

In August 2008 joint venture operator Zinc Co Australia Limited completed 15 RC drill holes (1390 metres) covering 350 metres south of the gossan to test the EM conductor. Sulphides were intersected in three holes aligned over 260 metres strike along the western margin of the area drilled and assay results include 5 metres @ 3.9% zinc, 0.3% lead, 0.6% copper and 37 g/t silver.

In the December 2008 Quarter Zinc Co reported the results of interpretation of a moving loop ground EM survey completed at the Cardinals Prospect. A strong conductive sulphide response was detected extending 400 metres grid south from the Cardinals gossan outcrop.

Drilling to date has intersected the shallowest levels of the modelled conductors. There is a good correspondence between sulphide drill intersections and the position of the modelled conductors. The conductor extends well below previous drilling.

During the current quarter permitting commenced for a diamond drilling programme to test the modelled conductors for ore grade massive sulphides at depth.



**Cardinals– interpreted conductors from Sept 2008 moving loop EM survey and existing drilling**



**Cookes Creek Western Extension JV (Giralia 30% free carried, Hazelwood Resources Ltd 70%)**

Hazelwood Resources Ltd (Hazelwood) reports no field activity at the Cookes Creek Western Extension JV. Hazelwood is earning a 70% participating interest with Giralia free carried at 30% to decision to mine in a large tenement in the Pilbara region of WA. Previously work includes a major HoistEM geophysical survey, which outlined several targets of interest including a large conductor at the Copper Gorge prospect, and three conductors at Far West along the Cookes Creek ultramafic sequence to the west of Hazelwood's 100% owned Anomaly Hill nickel sulphide deposit.

**Blue Rose–Olary Joint Venture – (Giralia 49% contributing, PacMag Metals Limited 51%)**

The Blue Rose – Olary Joint Venture is located 300 kilometres north-east of Adelaide in South Australia. PacMag Metals Ltd ("PacMag") has earned 51% interest from Giralia in the 1500 square kilometre project. Giralia is contributing to ongoing exploration programs. Two major targets have been defined to date by the JV partners;

The Blue Rose oxide copper deposit contains intersections such as: 46 metres @ 2.2% copper and 0.8 g/t gold from 11 metres depth, (including 28 metres @ 3.0% copper and 0.8 g/t gold). Beneath the oxide zones, drilling has intersected copper-gold-molybdenum sulphide mineralisation, which is open to extension along strike.

The Netley Hill copper – molybdenum prospect was tested by drilling in early 2008. A broad near surface zone of molybdenum mineralisation was intersected including 40 metres @ 0.05% molybdenum and 1 g/t silver from 11 metres confirming molybdenum mineralisation identified in previous shallow percussion drill holes above and to the east of a major IP anomaly.

Field work undertaken on the prospects this quarter involved completion of drill site rehabilitation.

**Olary Uranium Joint Venture (Giralia 100%)**

Giralia has resumed 100% interest in uranium rights on the Blue Rose-Olary tenements in South Australia, following the withdrawal of Peninsula Minerals Limited from a farm-in arrangement. The Company plans to drill test high grade uranium targets in May 2009.

**Yuinmery Joint Venture (Giralia 49% diluting, La Mancha Resources Australia Pty Ltd 51%)**

La Mancha Resources Australia Pty Ltd (formerly Mines & Resources Australia Pty Ltd) reports that no field work was carried out at the Yuinmery Joint Venture tenements.

**Ashburton (Giralia 100%)**

La Mancha Resources Australia Pty Ltd withdrew from the Ashburton Project Farm-in, with withdrawal effective 1 November 2008. Giralia is contemplating drill testing of uranium targets on the tenements.

**Corktree Joint Venture (Giralia 100%, PacMag Metals Limited can earn an initial 51%)**

PacMag Metals Limited reports no field activities during the quarter on the Corktree copper prospect located around 80 kilometres north of Wiluna.

**Kathleen Valley Joint Venture (Giralia 14% diluting, Xstrata Nickel 86%)**

Xstrata Nickel formerly Jubilee Gold Mines NL reports no field activity on gold and nickel prospects on Kathleen Valley joint venture tenements north of Jubilee's Cosmos nickel mine during the quarter. A VTEM airborne Electromagnetic survey was completed in late 2008 over much of the JV area.

*The information in this report that relates to Exploration Results, is based on information compiled by R M Joyce, who is a full time employee of the Company and a Member of the Australasian Institute of Mining and Metallurgy. R M 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'. R M Joyce consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information in the report that relates to in-situ Mineral Resources at Western creek and Anthiby Well 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 in-situ Mineral Resources at Beebyn and Mc Phee Creek is based on information compiled by Malcolm Titley of CSA Global. Malcolm Titley takes overall responsibility for the Report. He is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralization 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). Malcolm Titley consents to the inclusion of such information in this Report in the form and context in which it appears.*