

9 August 2010

ASX ANNOUNCEMENT

ALL FINAL MCPHEE CREEK ASSAYS RECEIVED; MORE STRONG HEMATITE MINERALISATION INTERSECTED ALONG MAIN RANGE

- All outstanding assay results now received from first pass resource drilling of the McPhee Creek main range, confirming further strong hematite mineralisation outside the interim JORC resource upgrade released on 26 July;
 - 108 metres (to end of hole) @ 55.4% Fe (61.9%CaFe), 0.06% P
 - 74 metres @ 58.5% Fe (63.6%CaFe), 0.08% P
 - 84 metres @ 55.6% Fe (62.1%CaFe), 0.06% P
 - 48 metres @ 58.1% Fe (62.8%CaFe), 0.04% P
- Further resource upgrade anticipated within ~2 weeks.

The Directors of Giralia Resources NL (Giralia) are pleased to report remaining assay results from the first pass resource drill-out of the main range deposit at the Company's 100% owned McPhee Creek iron ore discovery, in the Pilbara region.

New assay results from holes at the northern portion of the main range have returned further significant hematite intersections, outside the interim JORC resource of **161.4 million tonnes @ 56.2%Fe** released to ASX on 26 July 2010. New intersections include; **108 metres (to EOH) @ 55.4% Fe (61.9%CaFe), 0.06% P**, **74 metres @ 58.5% Fe (63.6%CaFe), 0.08% P**, and **84 metres @ 55.6% Fe (62.1%CaFe), 0.06% P**.

Assays have now been received for all holes completed in the initial 2010 resource drill-out program (holes RCMC114 to RCMC300), which involved relatively widely spaced traverses along the ~8 kilometre long range. Significant results from all previously unreported holes are shown in Table 1. Drilling data has been collated and delivered to the Company's resource consultants and a further JORC resource upgrade incorporating this information is anticipated in around 2 weeks.

Background on McPhee Creek discovery

Giralia discovered the main range deposit at McPhee Creek in September 2009, located within potential trucking distance ~220 km south-east of Port Hedland, and ~50 km north of BC Iron Limited/ FMG's Nullagine Iron Ore JV deposits. The deposit comprises thick, near surface hematite iron ore on a range ~8 kilometres long and up to 1 kilometre wide.

On 26 July 2010, the Company announced an interim upgrade to the JORC Inferred Mineral Resource estimate for the McPhee Creek main range deposit of **161.4 million tonnes @ 56.2 % Fe (62.1% CaFe)** incorporating new drilling results for the southern 25-30% of the main range, and revised its Exploration Target# upward to **250 to 350 million tonnes @ 56-60% Fe**. This represents a major increase to the December 2009 maiden JORC Resource of 52.1 million tonnes, and exceeds the previously reported initial Exploration Target# of 100 to 140 million tonnes. Significant hematite intersections outside the new interim JORC resource include; **112 metres (to end of hole) @ 57.7% Fe (63.3%CaFe) 0.06% P**, including **74 metres (to end of hole) @ 60.3% Fe**, and **100 metres @ 57.8% Fe (63.4%CaFe) 0.08% P**.

Drilling results previously announced to ASX on 20 May, 1 June, 10 June, 18 June, 29 June and 8 July 2010, include; 114 metres @ 59.9% Fe (65.3% CaFe), 126 metres @ 55.8% Fe (61.9%CaFe), 96 metres (EOH) @ 58.6% Fe (65.1%CaFe), 104 metres @ 57.3% Fe (63.5%CaFe), 72 metres (EOH) @ 60.5% Fe (65.8%CaFe) and 146 metres (to end of hole) @ 56.1% Fe (62.0%CaFe).

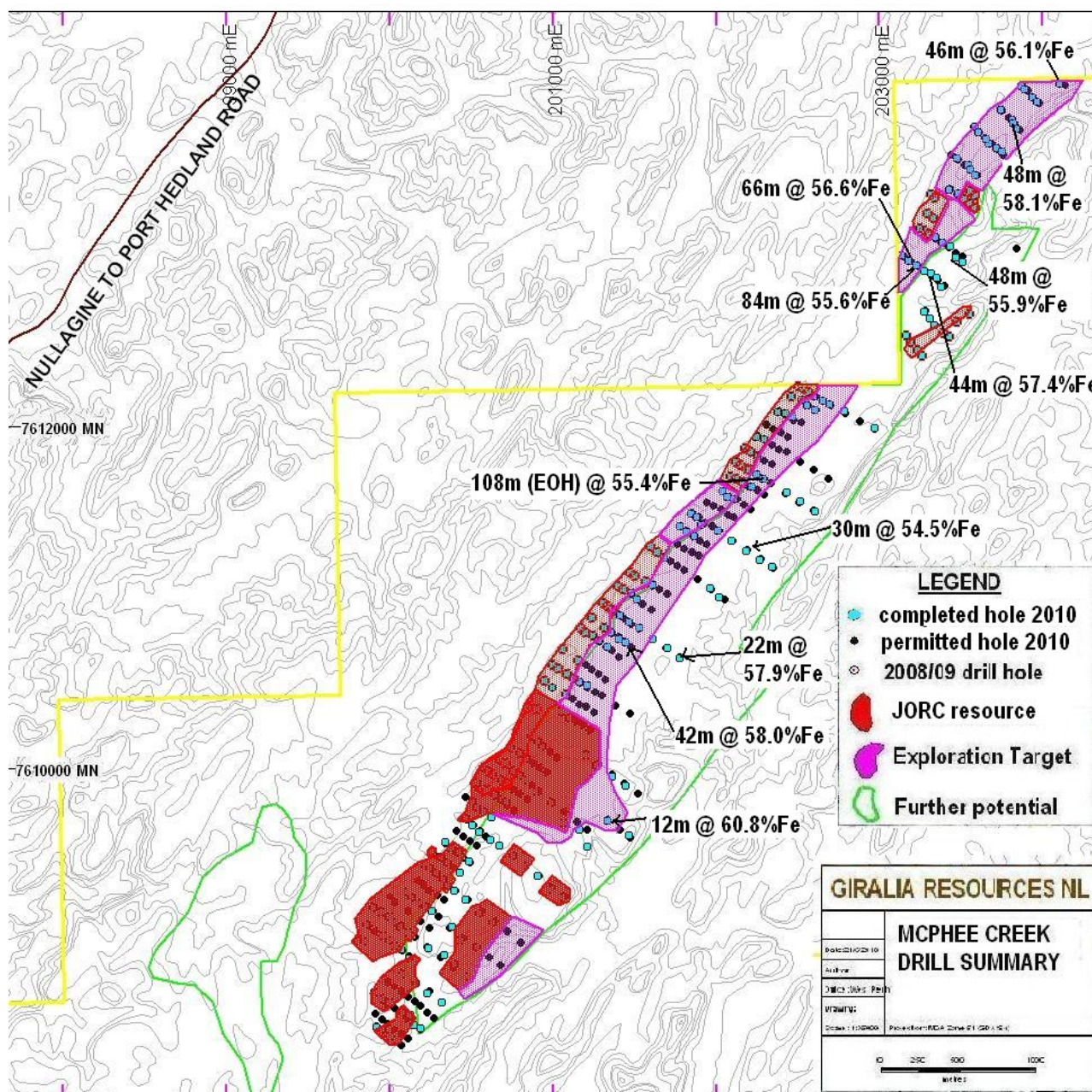


Fig.1: McPhee Creek drill hole plan showing some important new results outside current JORC resource.

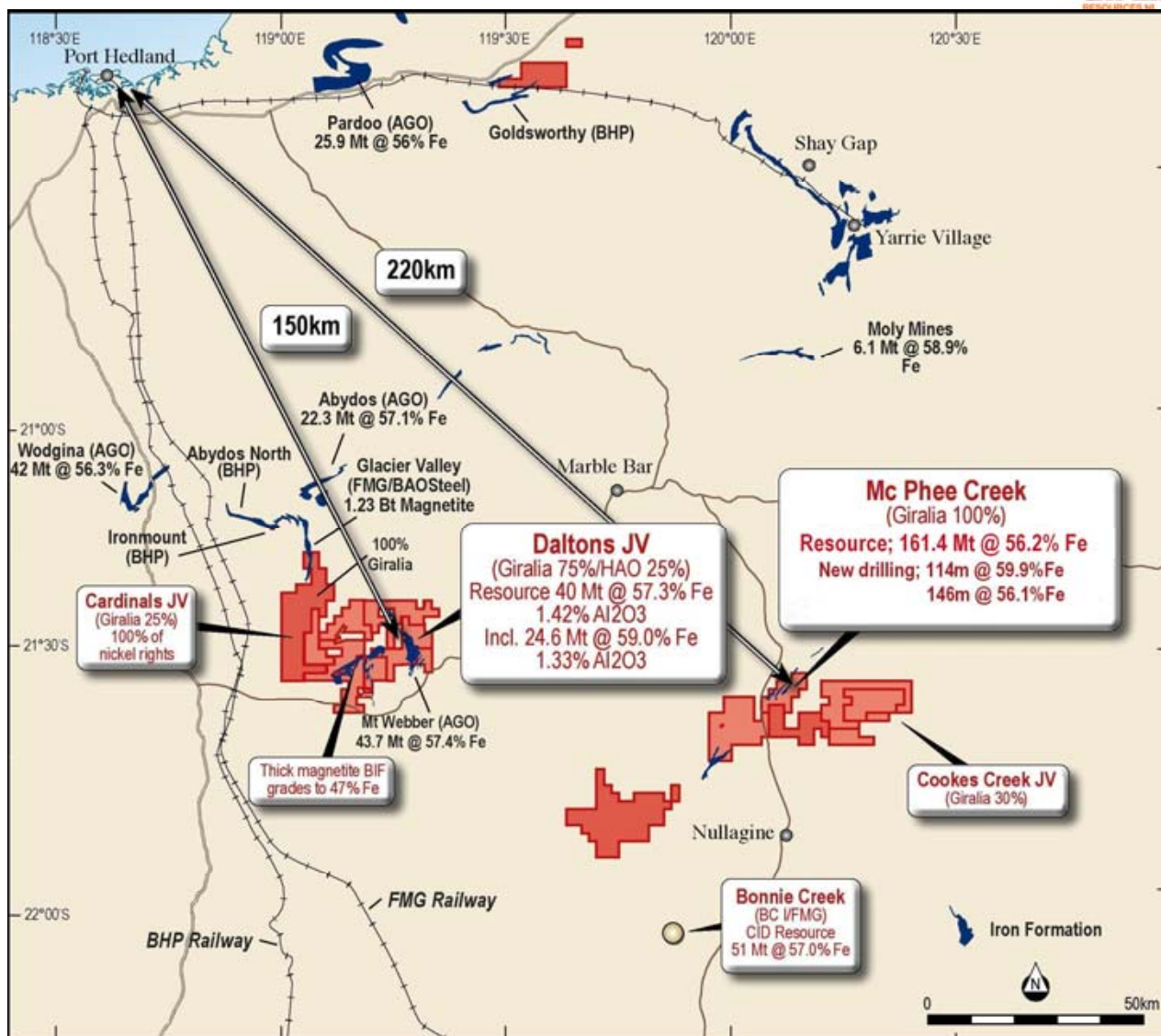


Fig.2: Location plan showing Giralia’s McPhee Creek and Daltons-Mt Webber iron ore deposits

R M Joyce
DIRECTOR

** The term "Exploration Target" should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves as defined by the JORC Code (2004), and therefore the terms have not been used in this context. Exploration targets are conceptual in nature, and it is uncertain if further exploration or feasibility study will result in the determination of a Mineral Resource or Ore Reserve.*

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.

Table 1: Mc Phee Creek main range, RC drilling May- June 2010. New intersections >6 metres @ >50%Fe.

Hole No	Coordinates		Dip / Azimut h	Depth (m)	From (m)	To (m)	Interval (m)	Fe %	CaFe %	P %	SiO2 %	Al2O3 %	LOI %
	East	North											
RCMC182	201333	7609728	-90/-	76	4	24	20	52.2	55.8	0.09	14.0	2.9	6.8
				incl.	12	24	12	60.8	64.3	0.09	6.0	1.1	5.5
RCMC186	201262	7610064	-90/-	88	6	26	20	53.7	58.1	0.09	14.0	0.8	7.4
				incl.	6	14	8	59.5	65.0	0.08	4.0	0.9	8.4
RCMC192	201200	7610128	-90/-	94	0	74	74	58.5	63.6	0.08	6.5	1.4	7.9
				incl.	4	66	62	59.7	64.9	0.08	4.8	1.5	8.1
RCMC194	201407	7610980	-90/-	178	34	44	10	56.5	62.6	0.04	6.2	2.7	9.7
RCMC202	201769	7610726	-90/-	95	28	50	22	57.9	63.0	0.10	6.7	1.7	8.1
RCMC204	201526	7610901	-90/-	136	14	24	10	54.7	59.8	0.11	11.1	1.1	8.6
				and	82	100	18	54.6	61.1	0.19	9.3	1.1	10.6
				incl.	84	96	12	56.0	62.8	0.21	6.9	1.2	10.9
RCMC218	201098	7610357	60/310	102	16	34	18	55.8	62.8	0.19	5.0	2.6	11.1
				and	52	92	40	56.4	62.8	0.19	5.3	2.1	10.2
RCMC220	201845	7611608	60/310	64	12	40	28	54.2	59.1	0.06	8.0	5.6	8.3
				incl.	18	36	18	56.4	61.5	0.06	6.3	4.3	8.2
RCMC222	201877	7611584	60/310	94	30	48	18	56.7	61.5	0.07	7.8	2.8	7.8
				incl.	30	44	14	58.0	63.3	0.07	4.8	3.1	8.5
				and	56	72	16	60.6	64.7	0.07	4.5	1.5	6.4
RCMC223	200998	7610548	60/310	66	0	16	16	54.5	59.7	0.06	9.1	3.3	8.7
				and	36	50	14	50.3	55.4	0.07	15.2	2.2	9.0
RCMC225	201276	7610822	60/310	126	30	36	6	53.3	60.0	0.04	7.2	4.7	11.3
RCMC226	202010	7611504	-90/-	66	6	24	18	54.9	61.0	0.09	7.4	1.8	9.9
				incl.	8	18	10	57.0	62.7	0.07	6.3	1.7	9.1
RCMC227	201327	7610787	-90/-	126	4	26	22	55.4	61.8	0.35	7.3	1.9	10.4
				and	72	80	8	53.4	59.9	0.04	8.2	3.4	10.8
RCMC229	201357	7610872	60/310	132	48	88	40	51.8	57.5	0.04	12.7	2.4	9.8
RCMC230	202185	7611377	-90/-	108	10	40	30	54.5	58.9	0.10	13.3	0.8	7.5
				incl.	10	28	18	56.5	61.2	0.10	9.9	1.0	7.7
RCMC231	201399	7610844	-90/-	132	6	52	46	55.1	61.0	0.30	9.2	1.4	9.7
				incl.	6	32	26	57.8	64.3	0.31	4.5	1.7	10.1
RCMC233	201443	7610814	-90/-	114	4	26	22	55.8	60.2	0.13	10.5	1.6	7.2
				and	48	98	50	54.8	61.0	0.40	7.4	2.3	10.1
				incl.	50	92	42	58.0	64.7	0.44	3.3	1.5	10.4
RCMC235	201471	7611115	60/310	150	28	36	8	55.5	61.5	0.04	7.4	3.2	9.9
RCMC236	202242	7611845	60/300	174	66	174	108(EOH)	55.4	61.9	0.06	6.6	2.9	10.5
				incl.	76	166	90	56.8	63.7	0.06	5.0	2.3	10.8
RCMC237	201512	7611078	-90/-	102	22	28	6	53.7	59.8	0.10	6.9	4.9	10.2
				and	78	98	20	56.9	63.6	0.10	5.9	1.4	10.5
				incl.	82	94	12	58.2	65.0	0.10	4.3	1.3	10.6
RCMC238	202288	7611817	60/300	180	160	176	16	54.7	61.1	0.07	9.7	1.6	10.4
				incl.	162	174	12	55.7	62.3	0.08	7.9	1.8	10.6
RCMC239	201611	7611166	60/310	102	48	54	6	54.2	60.9	0.14	7.7	3.1	10.9
RCMC241	201777	7611524	60/310	84	32	60	28	55.4	61.5	0.06	6.1	2.9	10.0
				incl.	32	54	22	56.0	62.1	0.06	5.6	3.0	9.8
RCMC243	201816	7611498	60/310	126	84	108	24	56.8	62.7	0.07	7.2	1.7	9.4
				incl.	86	106	20	57.6	63.9	0.07	5.6	1.8	9.8
RCMC245	201862	7611469	60/310	150	120	128	8	54.9	58.2	0.12	14.3	0.9	5.6
RCMC247	202038	7611743	60/310	102	48	76	28	56.9	62.8	0.14	5.4	1.8	9.3
				incl.	52	74	22	57.8	63.8	0.14	4.5	1.6	9.3
RCMC248	202296	7612056	60/300	90	30	36	6	54.0	59.4	0.10	10.1	3.5	9.0
RCMC250	202596	7612323	60/300	160	44	80	36	53.4	59.8	0.05	9.2	2.8	10.5
				incl.	58	80	22	58.4	65.6	0.06	3.1	1.3	11.0
				and	136	150	14	53.2	56.0	0.05	17.6	0.8	5.1
RCMC252	202650	7612297	60/300	94	14	20	6	53.1	59.2	0.12	10.5	2.3	10.3
				and	50	64	14	57.1	63.9	0.15	5.2	1.6	10.6
				incl.	52	64	12	58.0	64.9	0.16	3.9	1.5	10.7
RCMC254	202697	7612275	60/310	130	50	108	58	53.6	59.4	0.19	11.7	0.9	9.7

Hole No	Coordinates		Dip / Azimut h	Depth (m)	From (m)	To (m)	Interval (m)	Fe %	CaFe %	P %	SiO2 %	Al2O3 %	LOI %
	East	North											
				incl.	50	78	28	56.3	62.7	0.18	7.2	1.0	10.1
RCMC256	202783	7612230	60/310	112	4	12	8	52.2	56.2	0.04	15.7	1.3	7.2
RCMC258	202970	7612129	-90/-	106	44	62	18	52.2	57.7	0.09	15.4	0.2	9.3
				incl.	54	62	8	55.9	62.2	0.10	9.2	0.3	10.1
RCMC260	203138	7613184	60/310	100	20	38	18	57.8	63.0	0.06	5.4	2.5	8.4
				incl.	24	38	14	59.7	64.6	0.06	4.6	1.6	7.6
RCMC262	203174	7613150	60/300	112	22	88	66	55.6	61.8	0.07	5.8	3.7	10.0
				incl.	62	86	24	58.6	64.3	0.08	4.4	2.4	8.9
RCMC264	203224	7613121	60/300	142	40	128	88	54.8	61.2	0.06	7.1	3.5	10.4
				incl.	44	128	84	55.6	62.1	0.06	6.5	3.0	10.4
				incl.	52	122	70	56.3	63.0	0.06	5.5	3.0	10.5
				incl.	62	96	34	57.5	64.2	0.07	4.7	2.5	10.4
				and	104	122	18	58.0	64.9	0.07	4.6	1.4	10.5
RCMC266	203274	7613085	60/300	88	2	28	26	53.9	60.7	0.09	8.3	3.0	11.1
				incl.	8	28	20	56.2	63.4	0.10	5.4	2.4	11.3
				and	38	44	6	53.0	58.9	0.11	12.9	0.5	10.0
				and	80	88	8 (EOH)	54.9	61.4	0.09	6.9	3.2	10.6
RCMC268	203315	7613074	60/300	112	6	50	44	57.4	63.5	0.10	6.3	1.3	9.6
				incl.	6	42	36	58.5	64.6	0.11	4.9	1.3	9.5
				and	86	96	10	56.1	62.8	0.06	7.4	1.3	10.7
RCMC270	203353	7613048	60/300	88	10	22	12	55.8	61.1	0.09	9.7	1.4	8.6
				incl.	12	20	8	57.5	63.0	0.09	7.0	1.4	8.7
RCMC274	203809	7614013	60/300	100	14	26	12	54.8	61.1	0.10	9.2	2.0	10.4
				and	32	38	6	50.1	55.5	0.04	14.9	2.8	9.7
RCMC276	203821	7613992	60/300	94	8	56	48	58.1	62.8	0.04	7.2	1.3	7.5
				incl.	30	52	22	62.0	66.3	0.04	3.3	0.8	6.4
RCMC278	203840	7613961	60/300	112	24	42	18	54.5	60.0	0.04	9.6	2.1	9.1
				and	66	72	6	52.1	56.8	0.09	17.5	0.5	8.3
				and	82	92	10	54.0	58.7	0.06	14.1	0.5	8.1
RCMC280	203742	7614075	60/300	94	22	36	14	50.4	55.8	0.03	13.3	4.4	9.6
RCMC282	203511	7613145	-90/-	108	4	16	12	50.9	56.0	0.03	16.8	1.0	9.1
RCMC284	203481	7613565	60/308	78	52	72	20	56.5	63.4	0.08	4.9	3.0	10.9
				incl.	54	70	16	57.8	64.9	0.08	3.7	2.4	11.0
RCMC286	203540	7613737	60/300	84	42	76	34	52.3	58.5	0.09	10.4	3.3	10.3
				incl.	50	70	20	56.0	62.9	0.11	4.8	2.9	10.8
RCMC288	203586	7613676	60/302	132	10	18	8	54.0	60.5	0.12	8.0	2.8	10.7
				and	120	132	12 (EOH)	53.7	60.0	0.07	7.0	4.4	10.5
				incl.	120	126	6	58.0	65.1	0.10	3.3	1.6	10.9
RCMC289	203669	7613867	60/304	78	18	42	24	55.9	62.4	0.03	7.2	1.9	10.4
				and	26	42	18	56.9	63.6	0.03	5.7	1.7	10.7
RCMC290	203716	7613844	60/308	102	20	54	34	54.8	59.8	0.04	11.1	1.9	8.3
				incl.	30	52	22	57.9	62.8	0.04	8.3	0.9	7.7
RCMC291	203751	7613820	60/308	120	94	104	10	56.4	61.2	0.15	11.5	0.3	7.8
RCMC292	203584	7613975	60/309	46	8	24	16	54.9	58.9	0.03	8.2	5.5	6.7
				incl.	14	24	10	57.8	62.0	0.04	6.0	4.0	6.8
RCMC293	203607	7613940	60/309	60	12	40	28	56.3	63.3	0.05	4.5	3.3	11.0
RCMC294	203652	7613897	60/307	66	16	22	6	51.0	57.0	0.04	12.8	3.2	10.6
RCMC296	204101	7614236	60/300	82	4	62	58	54.7	60.4	0.07	9.6	1.9	9.3
				incl.	16	62	46	56.1	62.0	0.08	7.7	1.7	9.4
				incl.	18	36	18	58.0	64.2	0.07	5.0	1.6	9.7
RCMC297	203963	7614123	60/305	84	8	14	6	59.6	64.6	0.07	6.0	1.1	7.8
RCMC298	203869	7614223	60/305	82	16	40	24	51.3	57.5	0.04	10.9	3.9	10.8
RCMC299	203890	7614202	60/309	90	34	52	18	59.0	62.9	0.03	6.9	1.8	6.2
RCMC300	200524	7609961	60/310	82	24	32	8	54.9	61.8	0.18	5.5	3.2	11.1

Notes to Table 1; RC drill samples collected as 2m riffle and cone split composites. Intersections quoted using lower cut-offs of 50% and 55% Fe. Coordinates in MGA Zone 51 GDA 94 ($\pm 5m$). XRF analyses by Spectrolab Laboratory Geraldton. QA/QC included field duplicate samples and Certified Reference Materials. CaFe is a measure of iron content upon removal of volatiles (i.e. LOI). EOH = open at end of hole.

About Giralia Resources NL

Giralia Resources NL ("ASX: GIR") is a well funded (~\$60 million cash) mineral exploration company based in Perth, Western Australia. Giralia's iron ore projects, with a current global JORC resource inventory of **294 million tonnes** are the Company's exploration and development focus:

McPhee Creek (100%) – Hematite (Pilbara) – New hematite discovery 220km south east of Port Hedland. Drill intersections include 90 metres @ 58.6 % Fe, 46 metres @ 60.2% Fe. Interim Inferred Mineral Resource **161.4 million tonnes @ 56.2% Fe (62.1%CaFe)**. Additional small CID mesa nearby 5.17 million tonnes @ 53.6% Fe (60.4%CaFe).

Daltons (75%) - Hematite (Pilbara) – Newly discovered zone of hematite, 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)**. Scoping Study (Base Case of 2Mtpa mining and road haulage to Port Hedland, targeting production by 2nd quarter 2011) found an **NPV(10%) of A\$170 million, IRR of 53.9%**.

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

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

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 new zones of both hematite and magnetite have been discovered.

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.

Yerecoin – Magnetite (150 km from Perth) – 1 km to railway. Initial Inferred Mineral Resource **186.8 million tonnes @ 30.9% Fe (DTR 70.1% Fe, 2.1% SiO₂, Wt Rec 32.8%)**. Coarse magnetite; excellent DTR testwork. Scoping Study on 2.5Mtpa mining and existing rail haulage to Kwinana, found a best scenario **NPV(10%) of A\$321 million, IRR of 33.8%**.

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
U3O8 Limited	UTO	uranium	~15%
Zinc Co Australia Limited	ZNC	zinc	~12%
Carpentaria Exploration Limited	CAP	NSW, Qld	~10%
Gascoyne Resources Limited	GCY	gold	~5.9%
Hazelwood Resources Ltd	HAZ	nickel, tungsten	~3.3%
Entrée Gold	ETG-(TSX)	copper	~1%