

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme GIRALIA RESOURCES N.L.

ACN/ARSN 009 218 204

1. Details of substantial holder (1)

Name Morgan Stanley & Co. International plc

ACN/ARSN (if applicable) Not Applicable

The holder became a substantial holder on January 25, 2011

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary Shares	9,251,092	9,251,092	5.08%
			Based on 182,069,170 shares outstanding

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Morgan Stanley & Co. International plc	Shares held or in respect of which the holder may exercise control over disposal in the ordinary course of sales and trading and stock borrowing businesses.	8,343,825 Ordinary Shares
Morgan Stanley & Co. International plc	Shares held or in respect of which the holder may exercise right to rehypothecate or dispose of pursuant to the agreement(s).	63,368 Ordinary Shares
Morgan Stanley Australia Securities Limited	Shares held or in respect of which the holder may exercise control over disposal in the ordinary course of sales and trading businesses.	843,899 Ordinary Shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Morgan Stanley & Co. International plc	HSBC Custody Nominees (Australia) Limited	Not Applicable	8,407,193 Ordinary Shares
Morgan Stanley Australia Securities Limited	Morgan Stanley Australia Securities (Nominee) Pty Limited	Not Applicable	843,899 Ordinary Shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration		Class and number of securities affected
		Cash	Non-Cash	
Morgan Stanley & Co. International plc	September 27, 2010	N.A.	Borrow	7800 Ordinary Shares
Morgan Stanley Australia Securities Limited	September 27, 2010	2.8487	Buy	7589 Ordinary Shares
Morgan Stanley Australia Securities Limited	September 28, 2010	2.7800	Buy	2699 Ordinary Shares
Morgan Stanley Australia Securities Limited	September 29, 2010	2.7314	Buy	8505 Ordinary Shares
Morgan Stanley & Co. International plc	September 30, 2010	2.7054	Buy	11316 Ordinary Shares
Morgan Stanley Australia Securities Limited	September 30, 2010	2.7055	Buy	6607 Ordinary Shares
Morgan Stanley Australia Securities Limited	October 1, 2010	2.7651	Buy	7980 Ordinary Shares
Morgan Stanley & Co. International plc	October 5, 2010	2.6672	Buy	9315 Ordinary Shares
Morgan Stanley Australia Securities Limited	October 5, 2010	2.6660	Buy	2259 Ordinary Shares
Morgan Stanley Australia Securities Limited	October 6, 2010	2.7573	Buy	8983 Ordinary Shares
Morgan Stanley Australia Securities Limited	October 7, 2010	2.7951	Buy	4100 Ordinary Shares
Morgan Stanley Australia Securities Limited	October 12, 2010	2.8011	Buy	691 Ordinary Shares
Morgan Stanley & Co. International plc	October 13, 2010	N.A.	Collateral Received	1504508 Ordinary Shares
Morgan Stanley Australia Securities Limited	October 13, 2010	2.8171	Buy	3216 Ordinary Shares
Morgan Stanley Australia Securities Limited	October 14, 2010	2.8350	Buy	3400 Ordinary Shares
Morgan Stanley & Co. International plc	October 18, 2010	N.A.	Collateral Received	1821 Ordinary Shares
Morgan Stanley & Co. International plc	October 19, 2010	2.7423	Buy	4934 Ordinary Shares
Morgan Stanley Australia Securities Limited	October 19, 2010	2.7483	Buy	1200 Ordinary Shares
Morgan Stanley Australia Securities Limited	October 20, 2010	2.6771	Buy	1400 Ordinary Shares
Morgan Stanley & Co. International plc	October 22, 2010	N.A.	Borrow	1799 Ordinary Shares
Morgan Stanley & Co. International plc	October 25, 2010	N.A.	Borrow	1311 Ordinary Shares
Morgan Stanley Australia Securities Limited	October 25, 2010	2.7200	Buy	673 Ordinary Shares
Morgan Stanley & Co. International plc	October 26, 2010	N.A.	Borrow	6055 Ordinary Shares
Morgan Stanley & Co. International plc	October 26, 2010	N.A.	Collateral Received	2040379 Ordinary Shares
Morgan Stanley & Co. International plc	October 27, 2010	N.A.	Borrow	1671 Ordinary Shares
Morgan Stanley & Co. International plc	October 28, 2010	N.A.	Borrow	1153 Ordinary Shares
Morgan Stanley & Co. International plc	October 28, 2010	N.A.	Collateral Received	437764 Ordinary Shares
Morgan Stanley Australia Securities Limited	October 28, 2010	2.8033	Buy	3 Ordinary Shares
Morgan Stanley & Co. International plc	October 29, 2010	N.A.	Borrow	645 Ordinary Shares
Morgan Stanley & Co. International plc	November 1, 2010	N.A.	Borrow	6220 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 1, 2010	2.7369	Buy	3198 Ordinary Shares
Morgan Stanley & Co. International plc	November 3, 2010	N.A.	Borrow	8283 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 3, 2010	2.8158	Buy	1200 Ordinary Shares

Morgan Stanley & Co. International plc	November 4, 2010	N.A.	Borrow	2260 Ordinary Shares
Morgan Stanley & Co. International plc	November 4, 2010	2.8244	Buy	1790 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 4, 2010	2.8089	Buy	60800 Ordinary Shares
Morgan Stanley & Co. International plc	November 5, 2010	N.A.	Collateral Received	1097 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 5, 2010	2.9386	Buy	919020 Ordinary Shares
Morgan Stanley & Co. International plc	November 8, 2010	N.A.	Collateral Received	34514 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 9, 2010	3.0278	Buy	67000 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 10, 2010	3.0066	Buy	78760 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 11, 2010	3.0317	Buy	50857 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 12, 2010	3.0246	Buy	2008809 Ordinary Shares
Morgan Stanley & Co. International plc	November 15, 2010	N.A.	Borrow	1900 Ordinary Shares
Morgan Stanley & Co. International plc	November 15, 2010	N.A.	Collateral Received	64622 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 15, 2010	3.0420	Buy	9347 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 16, 2010	3.0268	Buy	9210 Ordinary Shares
Morgan Stanley & Co. International plc	November 17, 2010	N.A.	Collateral Received	515622 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 17, 2010	2.8963	Buy	4598 Ordinary Shares
Morgan Stanley & Co. International plc	November 18, 2010	N.A.	Borrow	1200 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 18, 2010	2.9670	Buy	1995 Ordinary Shares
Morgan Stanley & Co. International plc	November 19, 2010	N.A.	Borrow	500 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 19, 2010	3.0400	Buy	453 Ordinary Shares
Morgan Stanley & Co. International plc	November 22, 2010	N.A.	Collateral Received	477014 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 22, 2010	2.9912	Buy	5944 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 23, 2010	2.9996	Buy	3448 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 24, 2010	2.9146	Buy	4700 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 25, 2010	2.9959	Buy	10146 Ordinary Shares
Morgan Stanley & Co. International plc	November 26, 2010	N.A.	Borrow	5796 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 26, 2010	3.0025	Buy	1499 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 29, 2010	2.9551	Buy	4532 Ordinary Shares
Morgan Stanley & Co. International plc	November 30, 2010	2.9185	Buy	12842 Ordinary Shares
Morgan Stanley Australia Securities Limited	November 30, 2010	2.9600	Buy	422 Ordinary Shares
Morgan Stanley & Co. International plc	December 1, 2010	N.A.	Collateral Received	494645 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 1, 2010	2.9372	Buy	4720 Ordinary Shares
Morgan Stanley & Co. International plc	December 2, 2010	N.A.	Borrow	142 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 2, 2010	3.0100	Buy	1700 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 3, 2010	2.9654	Buy	7502 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 6, 2010	3.0564	Buy	5500 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 7, 2010	2.9819	Buy	6317 Ordinary Shares

Morgan Stanley & Co. International plc	December 8, 2010	N.A.	Collateral Received	2038384 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 8, 2010	2.9414	Buy	9149 Ordinary Shares
Morgan Stanley & Co. International plc	December 9, 2010	2.8500	Buy	359 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 9, 2010	2.8797	Buy	8638 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 10, 2010	2.8709	Buy	10470 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 14, 2010	2.9766	Buy	2832 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 15, 2010	2.9800	Buy	2044 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 16, 2010	3.0000	Buy	2162 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 17, 2010	2.9465	Buy	10392 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 20, 2010	3.0012	Buy	1700 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 23, 2010	4.3300	Buy	4000001 Ordinary Shares
Morgan Stanley & Co. International plc	December 24, 2010	4.3200	Buy	3000 Ordinary Shares
Morgan Stanley & Co. International plc	December 24, 2010	N.A.	Collateral Received	27834 Ordinary Shares
Morgan Stanley Australia Securities Limited	December 24, 2010	4.3243	Buy	2000 Ordinary Shares
Morgan Stanley & Co. International plc	January 4, 2011	4.3975	Buy	44550 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 4, 2011	4.4015	Buy	37196 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 5, 2011	4.4138	Buy	372036 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 10, 2011	4.4974	Buy	536770 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 11, 2011	4.5573	Buy	227142 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 12, 2011	4.5833	Buy	318000 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 13, 2011	4.9157	Buy	291619 Ordinary Shares
Morgan Stanley & Co. Incorporated	January 14, 2011	N.A.	Borrow	11771 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 14, 2011	4.8597	Buy	12217 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 17, 2011	4.8193	Buy	13225 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 18, 2011	4.8101	Buy	44194 Ordinary Shares
Morgan Stanley & Co. International plc	January 19, 2011	4.9751	Buy	14300 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 19, 2011	4.9950	Buy	190017 Ordinary Shares
Morgan Stanley & Co. International plc	January 20, 2011	4.9369	Buy	2200 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 20, 2011	4.9374	Buy	169360 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 21, 2011	4.7064	Buy	107195 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 24, 2011	4.7051	Buy	52201 Ordinary Shares
Morgan Stanley & Co. International plc	January 25, 2011	N.A.	Borrow	1401 Ordinary Shares
Morgan Stanley Australia Securities Limited	January 25, 2011	4.7059	Buy	690704 Ordinary Shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Morgan Stanley Australia Securities Limited	Is controlled by an entity (i.e. one of the Upstream Corporations) that controls both Morgan Stanley & Co. International plc and Morgan Stanley Australia Securities Limited.
Morgan Stanley & Co. Incorporated	Is controlled by an entity (i.e. one of the Upstream Corporations) that controls both Morgan Stanley & Co. International plc and Morgan Stanley & Co. Incorporated

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Morgan Stanley & Co. International plc	25 Cabot Square, Canary Wharf, London E14 4QA, United Kingdom
Morgan Stanley & Co. Incorporated	1585 Broadway New York, NY 10036, United States
Morgan Stanley Australia Securities Limited	Level 39 Chifley Tower, 2 Chifley Square, Sydney NSW 2000, Australia

Signature

print name May Wong

capacity Vice President

sign here



date January 28, 2011

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

GUIDE

This guide does not form part of the prescribed form and is included by ASIC to assist you in completing and lodging form 603.

Signature	This form must be signed by either a director or a secretary of the substantial holder.
Lodging period	Nil
Lodging Fee	Nil
Other forms to be completed	Nil
Additional information	<p>(a) If additional space is required to complete a question, the information may be included on a separate piece of paper annexed to the form.</p> <p>(b) This notice must be given to a listed company, or the responsible entity for a listed managed investment scheme. A copy of this notice must also be given to each relevant securities exchange.</p> <p>(c) The person must give a copy of this notice:</p> <ul style="list-style-type: none"> (i) within 2 business days after they become aware of the information; or (ii) by 9.30 am on the next trading day of the relevant securities exchange after they become aware of the information if: <ul style="list-style-type: none"> (A) a takeover bid is made for voting shares in the company or voting interests in the scheme; and (B) the person becomes aware of the information during the bid period.
Annexures	<p>To make any annexure conform to the regulations, you must</p> <ol style="list-style-type: none"> 1 use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides 2 show the corporation name and ACN or ARBN 3 number the pages consecutively 4 print or type in BLOCK letters in dark blue or black ink so that the document is clearly legible when photocopied 5 identify the annexure with a mark such as A, B, C, etc 6 endorse the annexure with the words: <i>This is annexure (mark) of (number) pages referred to in form (form number and title)</i> 7 sign and date the annexure. <p>The annexure must be signed by the same person(s) who signed the form.</p>

Morgan Stanley and Co. International plc.
25 Cabot Square, Canary Wharf, London, E144QA, United Kingdom
Tel: +44 (0) 20 7425 8000
Fax: +44 (0) 20 7425 8990

Morgan Stanley

January 28, 2011

Dear Sir/ Madam,

This is to certify that these are redacted copies of the Securities Loan and Borrowing Agreement and International Prime Brokerage Agreement used by Morgan Stanley & Co. International plc in connection with the securities of Giralia Resources NL subject to re-hypothecation of collateral, borrowing and lending, as reported in the attached Notice of Initial Substantial holder (Form 603) dated January 28, 2011.

Regards,



May Wong
Vice President

Morgan Stanley

Morgan Stanley & Co. International plc ("MSI plc") – Extract of International Prime Brokerage Agreement

A.3. Rights and Obligations in Respect of Investments

A.3.1. Corporate Actions:

- (i) Where MSI plc is notified that a Corporate Action may be exercised in relation to an Investment credited to a Prime Brokerage Account and registered in the name of an Associated Firm, a sub-custodian appointed by MSI plc or its or such sub-custodian's nominee, it will use reasonable efforts to notify the Client as soon as practicable of such Corporate Action.
- (ii) If the Client wishes to exercise a right relating to a Corporate Action in relation to an Investment credited to a Prime Brokerage Account, it must notify MSI plc in writing of its election as soon as possible, but in any event no later than the expiry of Morgan Stanley's deadline for submissions of elections relating to that Corporate Action as advised to the Client by MSI plc or, where no deadline is advised, no later than 10 Notice Business Days prior to the final date for submission by MSI plc of such elections (or such shorter period as may be agreed in writing). MSI plc will use reasonable efforts to exercise such right, but only (a) on such terms as the Client has notified to MSI plc in writing and as are acceptable to MSI plc, and (b) where the Client has provided MSI plc or any other person (as the case may be) with any funds required to exercise such right.
- (iii) MSI plc will use reasonable efforts to send the Client Corporate Action Information. This will have been sent to MSI plc from a sub-custodian or agent bank for forwarding to shareholders whose shares are held in custody by MSI plc. No representation or warranty, express or implied, is or will be made by MSI plc in relation to the accuracy or completeness of the Corporate Action Information or any other written or oral information made available to the Client or its advisers in connection with the proposed Corporate Action and no responsibility or liability is or will be accepted by Morgan Stanley in relation to it. The Client should make its own investigation of the proposed Corporate Action and all information provided.
- (iv) The distribution of the Corporate Action Information in certain jurisdictions may be restricted by law in the jurisdiction in which the Client resides or conducts business. Any request for MSI plc to exercise or participate on behalf of the Client in the proposed Corporate Action shall be a representation to Morgan Stanley that the Client is entitled to so exercise or participate and that any and all restrictions or qualifications have been complied with. By accepting and executing such request on behalf of the Client, MSI plc is not making any representation or warranty about the Client's eligibility to so exercise or participate in any such action.

A.3.5. Voting Rights: Where MSI plc is notified that voting rights may be exercised in relation to an Investment credited to a Prime Brokerage Account and registered in the name of a Morgan Stanley Company, a sub-custodian appointed by MSI plc or its or such sub-custodian's nominee, it will use reasonable efforts to notify the Client as soon as practicable of

such voting rights. MSI plc will only exercise voting rights in respect of the Client's Investments held in the Prime Brokerage Account and registered in the name of a Morgan Stanley Company, a sub-custodian appointed by Morgan Stanley or that of its or such sub-custodian's nominee, where expressly agreed with the Client.

B.2. Terms of Settlement Facility

- (vii) **Corporate Actions:** Where, prior to delivery of any Equivalent Securities to MSI plc:
 - (a) any voting rights relating to any Settlement Securities the subject of a Settlement Facility become exercisable, then the Client will, where it holds securities of the same description as any made available to it under the Settlement Facility, exercise any such rights in accordance with MSI plc's instructions; and
 - (b) any rights relating to a Corporate Action, including those requiring election arise in respect of any Settlement Securities the subject of a Settlement Facility, then the Client will deliver to MSI plc Equivalent Securities in such form as MSI plc has notified to the Client in relation to the exercise of any such right.

B.1. Use of Investments

- (i) The Client hereby authorises any Morgan Stanley Company at any time or times to borrow, lend, charge, rehypothecate, dispose of or otherwise use for its own purposes any Investments which are for the time being subject to the Security without giving notice of such borrowing, lending, charge, rehypothecation, disposal or other use to the Client. Such Morgan Stanley Company may retain for its own account all fees, profits and other benefits received in connection with any such borrowing, loan or use. Upon (i) a borrowing, lending or other use, such Investments will become the absolute property of that Morgan Stanley Company (or that of its transferee) free from the Security and from any equity, right, title or interest of the Client's and (ii) a charge or rehypothecation of any of the Client's Investments, all of those Investments, including the Client's interest in those Investments, will be subject to the charge or other security interest created by such charge or rehypothecation. Upon any such use, the Client will have a right against MSI plc for the delivery of Equivalent Investments in accordance with paragraph 1.2.
- (ii) Where a Morgan Stanley Company borrows, lends or otherwise uses Hong Kong Securities any such borrowing, lending or use shall be effected by way of a loan of the relevant securities by the Client to the Morgan Stanley Company under the OSLA (as defined in paragraph B.1.1. above). The Morgan Stanley Company shall not be required to issue a Borrowing Request (as defined in the OSLA) in respect of any such loan made.