

29 June 2010

ASX ANNOUNCEMENT

THICK HEMATITE INTERSECTED ACROSS ALMOST FULL WIDTH OF MCPHEE CREEK MAIN RANGE

- New results confirm Giralia's model of extensive hematite mineralisation outside existing JORC resource and exploration target.
- Strong intersections across almost full width of McPhee Creek main range;
 - **80 metres (to end of hole) @ 57.1% Fe (63.9%CaFe), 1.6% Al₂O₃**
 - **146 metres (to end of hole) @ 56.1% Fe (62.0%CaFe), 2.1% Al₂O₃**
 - **70 metres (to end of hole) @ 58.6% Fe (65.3%CaFe), 1.7% Al₂O₃**
 - **54 metres (to end of hole) @ 60.3% Fe (65.2%CaFe), 1.5% Al₂O₃**
- Mineralisation up to 700 metres wide across range.

The Directors of Giralia Resources NL (Giralia) report further important results from resource drilling at the Company's 100% owned McPhee Creek iron ore discovery, in the Pilbara region.

New assay results from traverses across the entire width of the main range have returned significant hematite intersections, which are outside both the current JORC resource and the Company's initial Exploration Target, confirming thick, shallow dipping mineralisation over 700 metres wide. New intersections include; **80 metres to end of hole (EOH) @ 57.1% Fe (63.9%CaFe), 146 metres (EOH) @ 56.1% Fe (62.0%CaFe), 70 metres (EOH) @ 58.6% Fe (65.3%CaFe), and 54 metres (EOH) @ 60.3% Fe (65.2%CaFe).**

Commenting on the new McPhee Creek results, Giralia's Chairman Graham Riley said;

"The results to date from the major resource drill-out at McPhee Creek are confirming our model of a large tonnage shallow dipping hematite deposit. So far we have reported substantial extensions south and east of the current JORC resource, often with exceptional, plus 100 metres thicknesses, and we now have indications of mineralisation extending across much of the width of the range. It is clear that the Company has discovered a significant direct shipping iron ore deposit at McPhee Creek. We are confident that our initial target of 100-140 million tonnes will be well and truly exceeded, and are working to update our JORC resource in the next few weeks."

Background on McPhee Creek discovery

Giralia discovered the main range deposit at McPhee Creek in September 2009, located within potential trucking distance ~220 kilometres south-east of Port Hedland, and ~50 kilometres north of BC Iron Limited/ FMG's Nullagine Iron Ore JV deposits. In December 2009 the Company announced a maiden JORC Resource for the main range of **52.1 million tonnes @ 56.0%Fe (61.7% CaFe)** at 50% Fe cut-off, including **33.8 million tonnes @ 57.3%Fe (62.9% CaFe)**. The deposit remains open, and the Company has an initial **Exploration Target# of 100 to 140 million tonnes** of hematite iron ore (57-60%Fe), for a ~250 metre wide zone only along the western side of the ~8 kilometres long and up to 1 kilometre wide main range.

Significant results were announced on 20 May, 1 June, 10 June and 18 June 2010 from early holes extending south and east from the current JORC resource; **114 metres @ 59.9% Fe, 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), and 72 metres (EOH) @ 60.5% Fe (65.8%CaFe)**. Additionally bedded hematite mineralisation (RCMC203: **74 metres @ 56.5% Fe**) has been reported on the eastern side of the range.

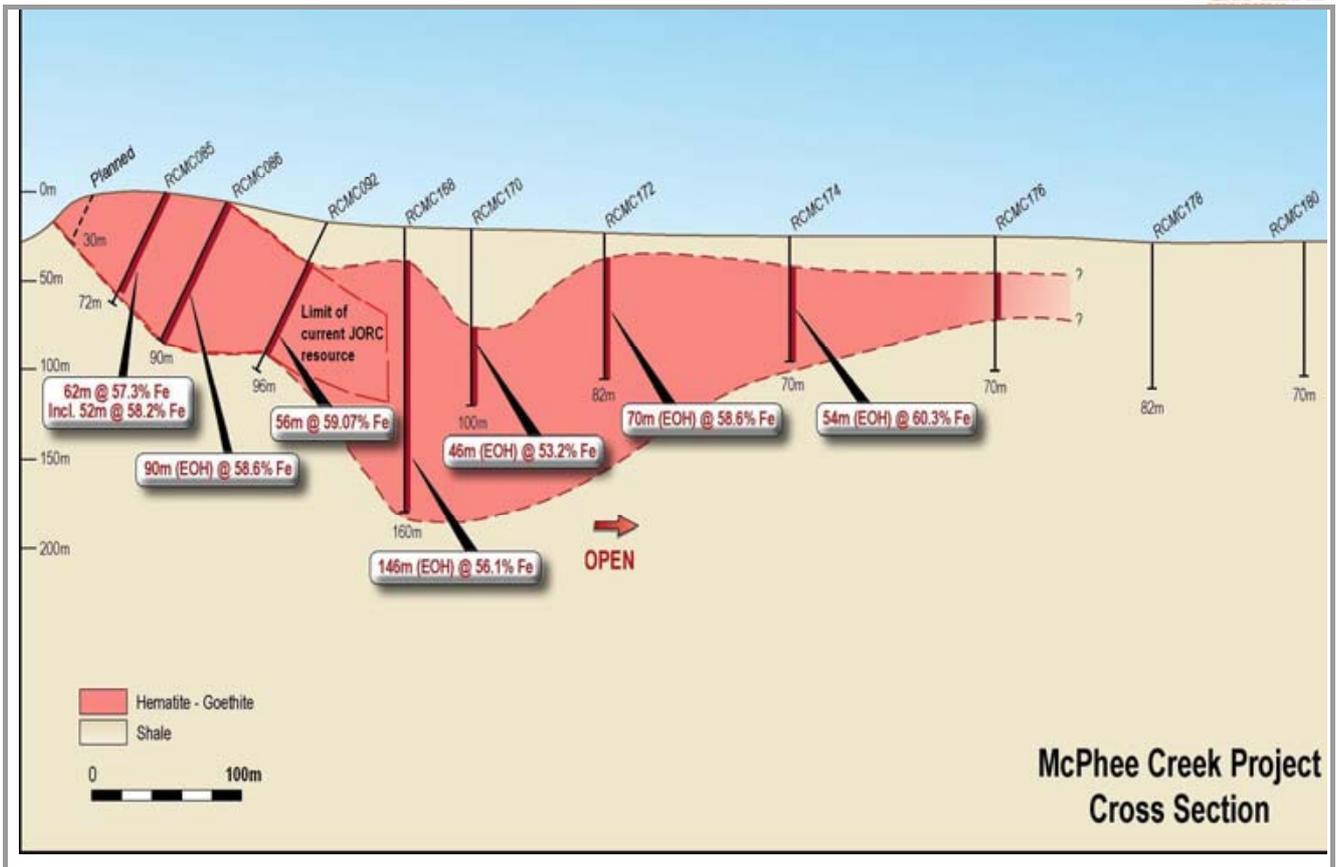


Fig.1; Cross Section McPhee Creek main range deposit (location of section shown on fig.2).

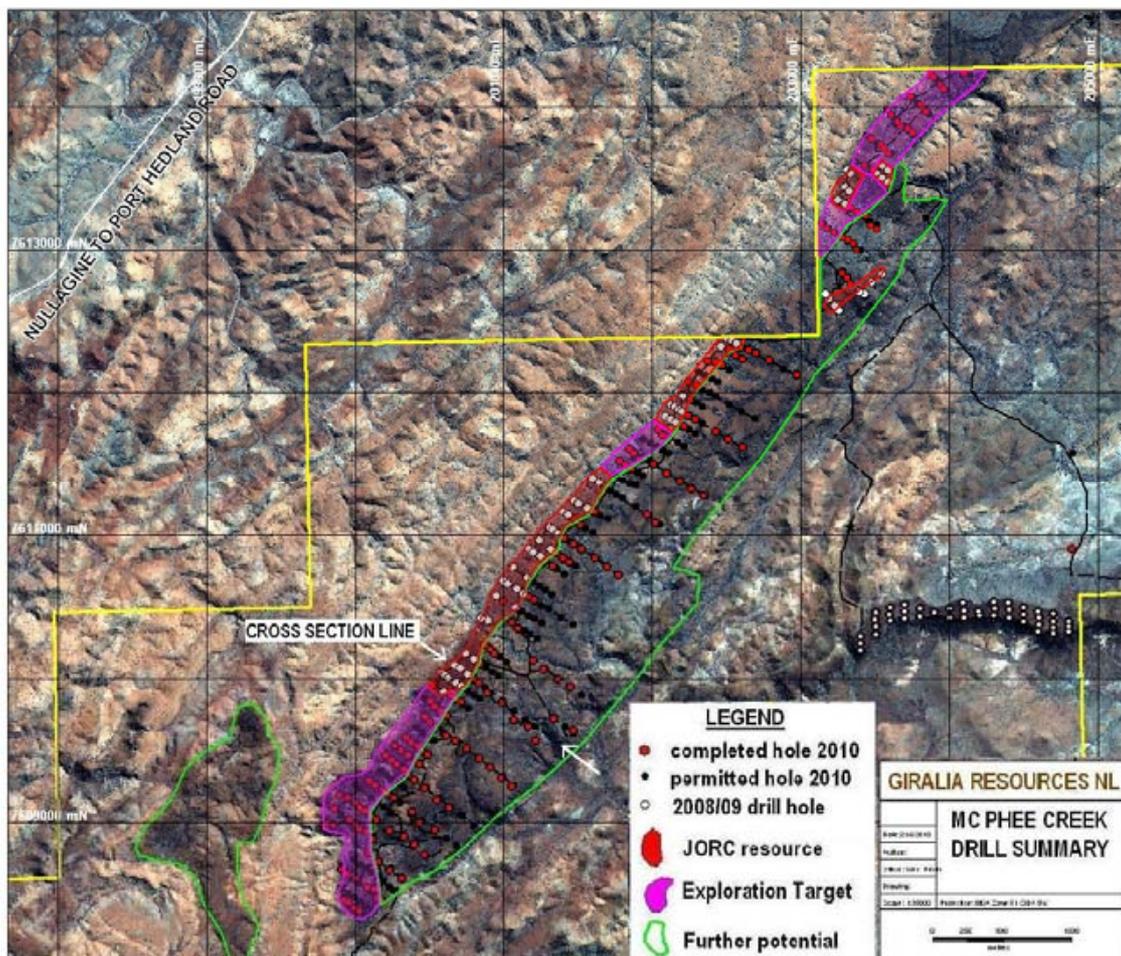


Fig.2; McPhee Creek iron ore deposit, drill hole plan with May –June 2010 resource drilling (red dots)

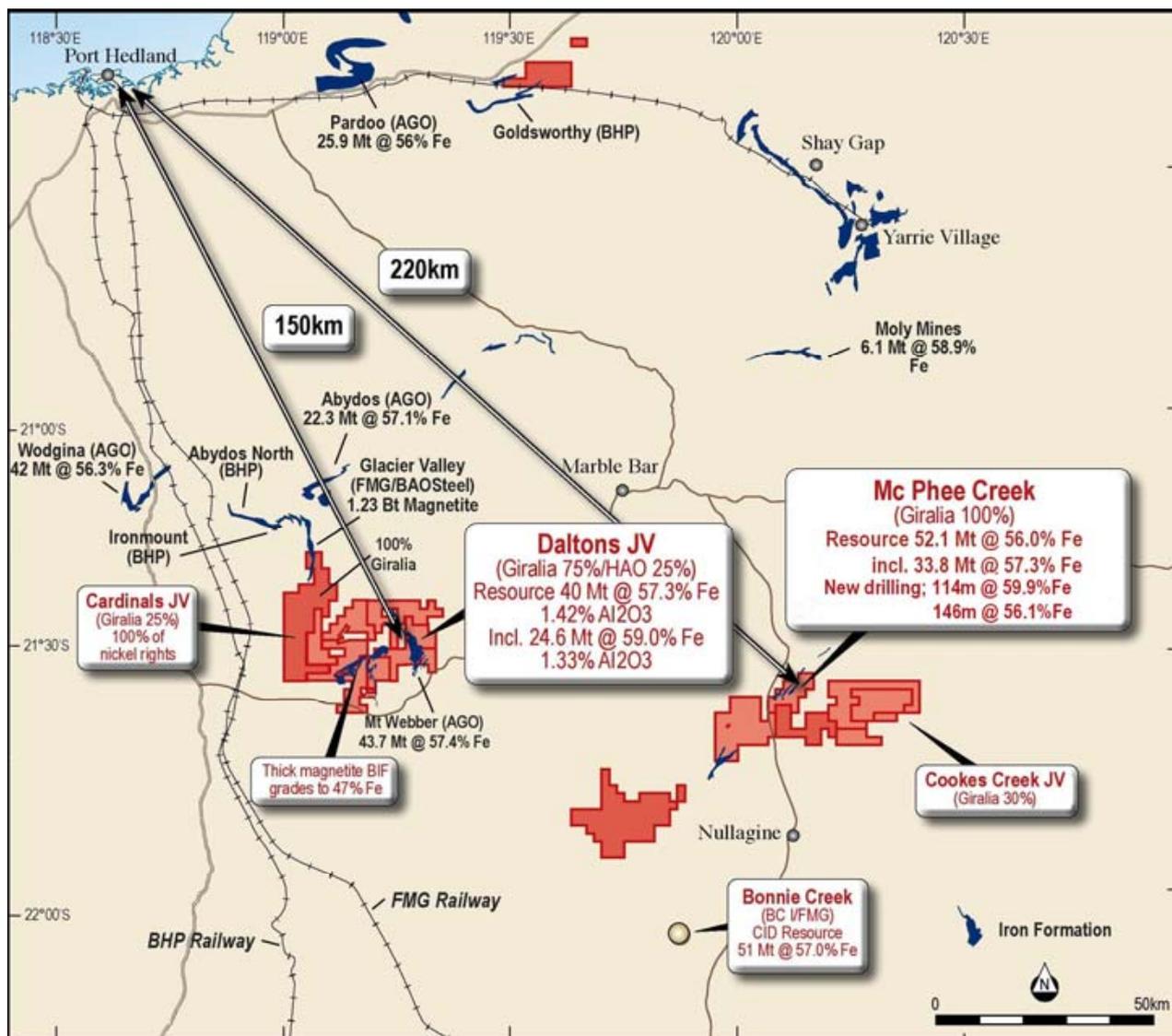


Fig.3; Location plan showing Giralia's McPhee Creek and Daltons-MtWebber iron ore deposits

* 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.

R M Joyce
DIRECTOR

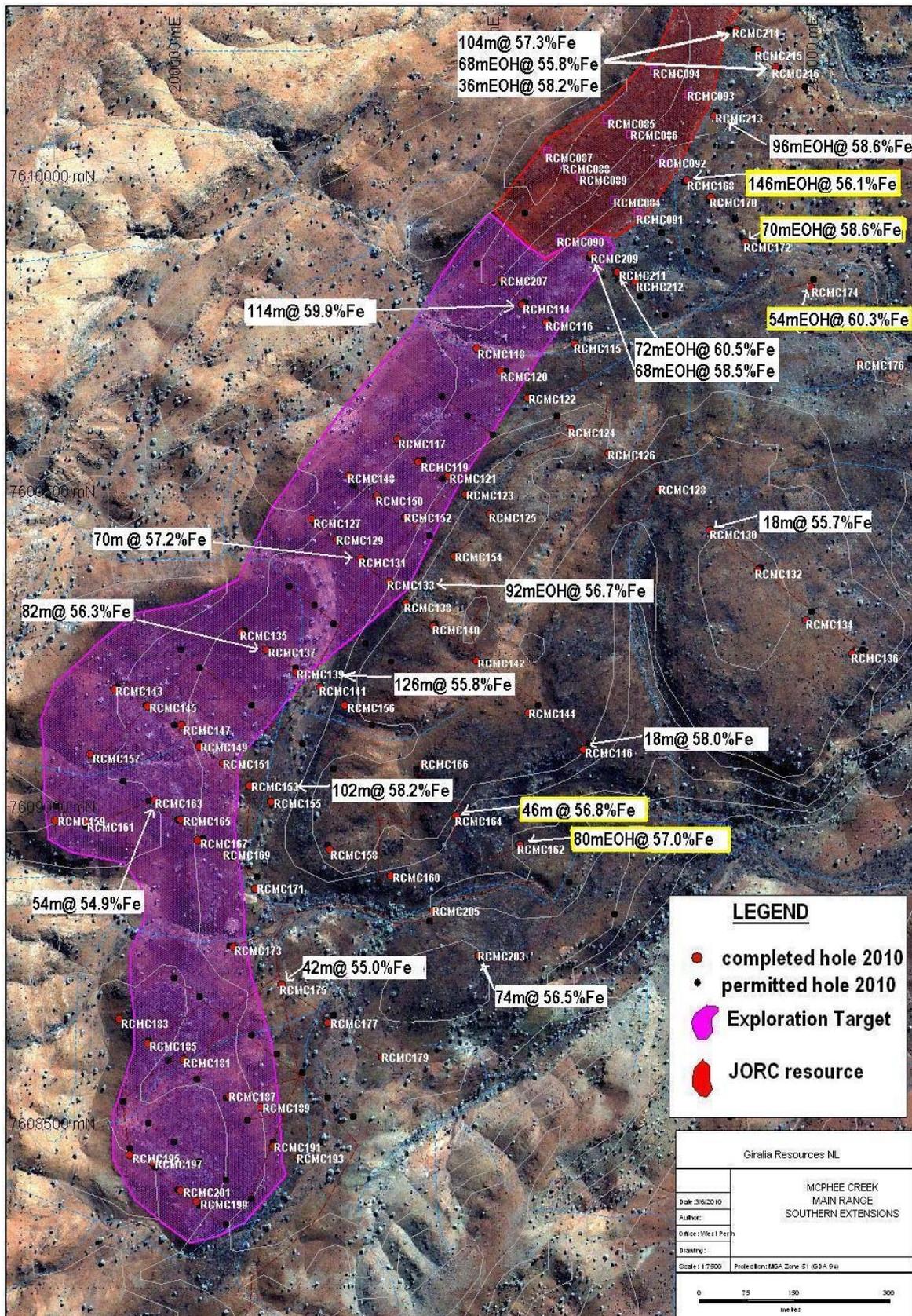


Fig 4; Detailed hole location plan of the southern end of the McPhee Creek main range, showing significant results for holes south and east of the resource. New intersections the subject of this release are highlighted in yellow.

Table 1: Mc Phee Creek main range, RC drilling May- June 2010. New intersections >10 metres @ >50%Fe and highlights from previously released results (*hole numbers in Italics) .

Hole No	Coordinates		Dip/Az	Depth	From	To	Interval	Fe	CaFe	P	SiO2	Al2O3	LOI
*RCMC114	200535	7609805	90/00	125	8	122	114	59.9	65.3	0.16	3.5	1.9	8.01
				incl.	14	120	106	60.5	65.8	0.16	3.1	1.7	7.89
*RCMC116	200574	7609778	90/00	116	20	76	56	56.4	63.2	0.13	4.9	2.8	10.7
				incl.	38	74	36	58.5	65.3	0.14	3.1	1.7	10.5
*RCMC131	200282	7609405	90/00	126	16	86	70	57.1	63.8	0.10	4.4	1.7	10.7
*RCMC133	200327	7609368	90/00	108	16	108	92 EOH	56.7	62.7	0.13	6.1	1.5	9.5
				incl.	84	108	24 EOH	60.0	65.8	0.09	3.8	0.9	8.8
*RCMC135	200095	7609287	60/31	84	16	62	46	56.3	62.1	0.09	5.1	3.2	9.4
*RCMC137	200135	7609259	60/31	108	22	104	82	56.3	62.6	0.09	5.6	2.2	10.1
				incl.	62	102	40	58.4	64.5	0.09	4.2	1.3	9.4
*RCMC139	200182	7609223	60/31	144	16	142	126	55.8	61.9	0.09	7.1	1.9	9.8
*RCMC141	200218	7609199	90/00	114	42	114	72 EOH	57.8	63.9	0.09	4.5	1.9	9.5
*RCMC143	199896	7609195	60/31	60	0	32	32	55.2	60.6	0.07	6.5	4.3	8.9
*RCMC146	200632	7609101	90/00	106	76	94	18	58.0	65.2	0.45	2.5	1.6	11.1
*RCMC147	200001	7609139	60/30	78	12	42	30	55.3	61.9	0.07	5.2	3.2	10.7
*RCMC149	200030	7609105	90/00	78	12	66	54	55.0	61.9	0.11	5.0	2.9	11.2
*RCMC151	200066	7609079	90/00	102	30	96	66	56.3	62.1	0.06	5.5	2.3	9.3
*RCMC153	200108	7609043	90/00	132	18	120	102	58.2	63.5	0.07	4.7	2.3	8.4
*RCMC157	199858	7609093	60/31	66	30	54	24	56.6	63.0	0.09	5.4	2.2	10.1
*RCMC163	199960	7609021	90/00	90	0	54	54	54.9	61.0	0.07	6.5	3.8	10.1
*RCMC165	200000	7608990	83/29	66	16	42	26	57.2	62.0	0.06	6.3	3.5	7.8
*RCMC167	200027	7608958	90/00	66	8	32	24	55.1	60.2	0.05	7.6	3.6	8.5
*RCMC171	200117	7608881	90/00	82	8	28	20	55.9	61.5	0.09	6.9	2.4	9.2
*RCMC175	200158	7608729	90/00	84	8	50	42	55.0	60.8	0.09	6.9	2.6	9.6
*RCMC203	200468	7608775	90/00	96	0	74	74	56.5	63.6	0.44	3.0	2.8	11.2
*RCMC209	200644	7609885	60/31	90	22	90	68 EOH	58.5	63.4	0.08	5.4	2.9	7.8
				incl.	38	90	52 EOH	60.6	65.1	0.08	3.9	2.4	6.8
*RCMC211	200685	7609858	60/31	120	48	120	72 EOH	60.5	65.8	0.12	3.3	1.5	8.2
*RCMC213	200837	7610105	60/31	120	24	120	96 EOH	58.6	65.1	0.14	3.1	1.6	10.1
*RCMC214	200864	7610242	60/31	132	22	126	104	57.3	63.5	0.13	5.4	1.9	9.7
*RCMC215	200907	7610207	60/31	138	70	124	54	57.1	63.8	0.09	5.4	1.4	10.5
				and	130	138	8 EOH	57.7	62.1	0.06	8.9	0.8	6.9
*RCMC216	200932	7610178	60/31	138	48	58	10	55.7	62.4	0.08	6.6	1.9	10.8
				and	102	138	36 EOH	58.2	64.7	0.14	4.1	1.5	10.1
*RCMC217	201047	7610394	60/31	144	36	94	58	56.1	62.5	0.11	6.5	2.0	10.2
*RCMC218	201098	7610357	60/31	102	52	92	40	56.4	62.8	0.19	5.3	2.1	10.2
*RCMC219	201208	7610552	60/31	132	88	110	22	56.6	62.9	0.08	6.6	1.7	10.1
*RCMC221	201163	7610578	60/31	120	36	74	38	53.4	59.7	0.10	8.4	2.8	10.5
				incl.	46	70	24	56.4	63.2	0.09	4.3	2.3	10.8
RCMC148	200261	7609533	60/30	55	18	32	14	55.1	61.0	0.10	6.1	4.4	9.7
RCMC152	200350	7609468	60/31	100	22	66	44	52.2	58.2	0.10	10.5	2.5	10.4
				incl.	32	54	22	54.5	60.7	0.08	8.1	1.8	10.3
RCMC162	200532	7608954	-90/-	88	8	88	80 EOH	57.0	63.9	0.18	4.6	1.6	10.8
				incl.	24	88	64	58.1	65.0	0.19	3.7	1.3	10.7
RCMC164	200432	7608997	-90/-	76	0	46	46	56.8	63.3	0.36	4.0	3.2	10.3
RCMC166	200377	7609076	-90/-	82	0	8	8	56.7	63.6	0.18	5.4	1.6	10.8
RCMC168	200793	7610003	-90/-	160	14	160	146 EOH	56.1	62.0	0.12	7.2	2.1	9.5
				incl.	38	106	68	56.5	63.2	0.14	6.0	1.7	10.7
				and	124	160	36 EOH	60.2	64.9	0.12	3.7	1.7	7.3
RCMC170	200829	7609971	-90/-	100	54	100	46 EOH	53.2	59.4	0.12	9.0	2.9	10.5
				incl.	90	100	10 EOH	58.1	64.9	0.11	5.3	1.2	10.5
RCMC172	200880	7609909	-90/-	82	12	82	70 EOH	58.6	65.3	0.20	3.0	1.7	10.2
RCMC174	200990	7609835	-90/-	70	16	70	54 EOH	60.3	65.2	0.11	4.4	1.5	7.4
				incl.	38	70	32	62.1	66.2	0.12	3.4	1.3	6.1
RCMC176	201064	7609712	-90/-	76	20	46	26	57.6	62.2	0.14	8.8	0.7	7.4

*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. *Result reported 20 May 2010, 1 June 2010, 10 June and 18 June 2010.*

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 **184.5 million tonnes** are the Company's exploration and development focus:

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.

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. Initial Inferred Mineral Resource **52.1 million tonnes @ 56.0% Fe (61.7%CaFe)**. Additional small CID mesa nearby 5.17 million tonnes @ 53.6% Fe (60.4%CaFe). Scoping Study commenced.

Daltons (75%) - Hematite (Pilbara) – New hematite discovery, 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%**.

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)**, located 220km from port at Onslow. * 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 drilling; 72 metres @ 32.4%Fe, 52.4 metres @ 31.6 %Fe. Coarse magnetite; excellent DTR testwork. Exploration Target 200-250million tonnes @ 30 to 35%Fe. Scoping study on 2.5mtpa magnetite concentrate via existing rail/ Kwinana port; **NPV A\$321M, IRR 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
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%
Gascoyne Resources Limited	GCY	gold	~ 5.9%
Hazelwood Resources Ltd	HAZ	nickel, tungsten	~3.3%