

ASX ANNOUNCEMENT

NIFTY AREA TENEMENT APPLICATIONS

- ❑ Agreement reached for the exploration and development of Nifty Area exploration tenements in joint venture with Midas Resources Limited (“ASX-MDS”) and private group MPF Exploration Pty Ltd.
- ❑ Each of MPF / Midas and Giralia will have a one third participating interest in the whole of the project area.
- ❑ The parties have committed to undertake expenditure of \$750,000 on joint venture exploration of the tenements in the first 18 months after grant.
- ❑ Strong technical and financial backing to explore this highly prospective land package, adjoining one of Australia’s biggest copper mines.

The Directors of Giralia Resources NL (*Giralia*) are pleased to announce that the Company has entered into a Deed of Consent to Priority of Competing Applications with the other two competing applicants agreeing the order of priority for grant of competing exploration licences (*Preferred Applications*) in respect of a large prospective area adjoining the operating Nifty copper mine in Western Australia, and that the three parties have agreed to enter a Joint Venture to be known as the “Paterson Joint Venture” for exploration and development following grant of the Preferred Applications.

Giralia, Midas Resources Limited (*Midas*), and MPF Exploration Pty Ltd (*MPF*) lodged Competing Applications at the same time and date for expired tenements covering around 100 kilometres of strike north and south of the Nifty copper mine. All three parties have now consented to priority of the Competing Applications and agreed to associate in an exploration joint venture to jointly explore any granted Preferred Applications, with the initial participating interests being: Midas (33.33%); Giralia (33.33%); and MPF (33.33%). The execution of the Deed of Consent to Priority of Competing Applications avoids the need for the determination of priority between the Competing Applications by ballot and allows the Preferred Applications to have priority in the Warden’s Court.

The commercial terms for the Joint Venture will provide for a committed minimum budget of \$750,000 in the first 18 months. The parties to the joint venture bring significant financial and technical capacity to the exploration and development of this prospective package of tenements, with strong cash backing (Giralia held \$67 million in cash at 30 September 2009) and Midas and MPF’s highly qualified geological teams with substantial specific experience in the Paterson Region. Midas has been appointed Joint Venture Manager.

General Background

The operator of the Nifty copper mine Aditya Birla Minerals Limited advised ASX on 16 September 2009 that “... *due to what it considers to be an administrative error by the Company’s external consultants, the following eight tenements have expired: E45/2150, E45/2151, E45/2152, E45/2153, E45/2154, E45/2155, E45/2156, and E45/2157*”, and further that it “... *is considering all options in respect to the expiry of the tenements and is taking legal advice in that regard.*”

On expiry of the above tenements, Giralia, Midas and MPF lodged simultaneous applications for all or part of the expired tenements. Several days later, Hetherington Exploration and Mining Title Services lodged applications for exploration licences over the same ground. Aditya Birla subsequently lodged objections against all of the Competing Applications. The participants in the Paterson Joint Venture believe that the Minister will exercise his discretion in favour of the joint venture participants subject to the successful outcome of Wardens Court proceedings.

Background on the Nifty Copper Project

The Nifty copper mine, owned and operated by Aditya Birla Minerals Limited, is located in the Great Sandy Desert Region of the East Pilbara in Western Australia, approximately 350 km east of Port Hedland. The Nifty mine comprises an historical open pit oxide SX–EW mine, and an underground sulphide mine and concentrator. The deposit is located in the Paterson province, which also hosts the Telfer gold–copper mine, located 70 km east of Nifty.

Copper was discovered at Nifty by WMC Limited in 1981, with drilling of the oxide mineralisation leading to the discovery of the deep sulphide deposit in 1983. WMC commenced an open pit, heap leach, SX–EW operation on the oxide copper in 1993. The Nifty mine was purchased by Straits Resources Limited in 1998, and then acquired by Aditya Birla Minerals Limited in March 2003. Development of the underground sulphide deposit commenced in January 2004.

Nifty has a published total (Measured, Indicated plus Inferred) Mineral Resource of 45.29 million tonnes @ 2.3% copper at 31 March 2009.

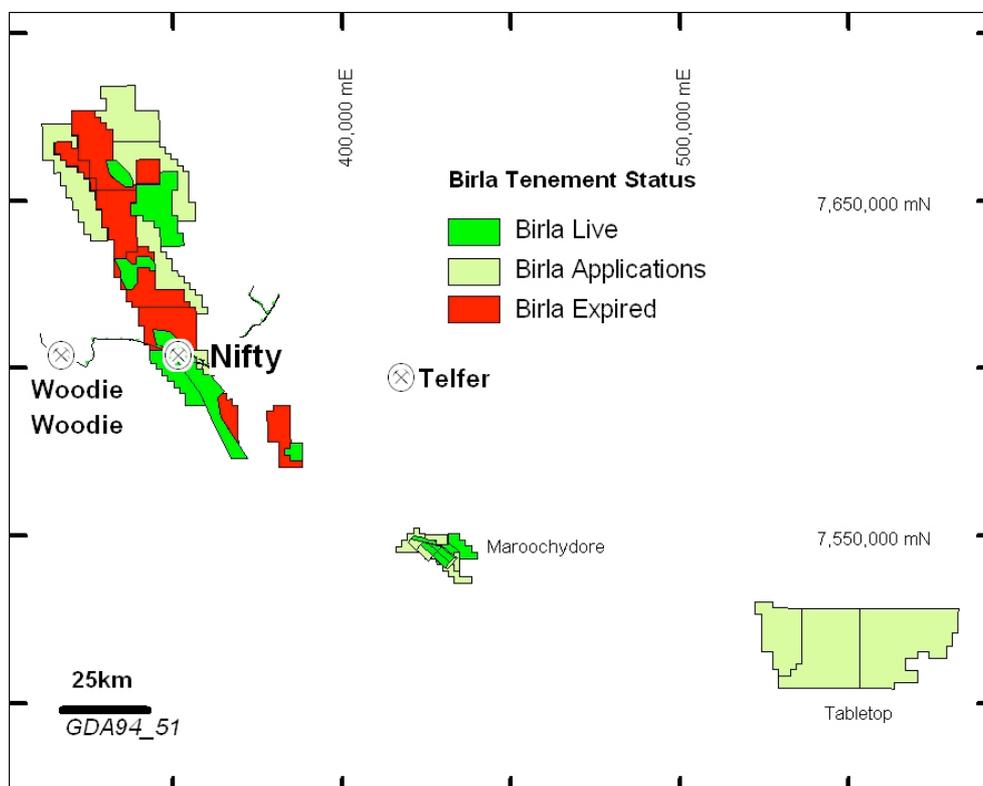


Figure 1; Nifty Area tenement location plan (source Adita Birla Minerals Limited)

Subject to resolution of the objections lodged by Birla Nifty and the granting of the Preferred Applications, an active exploration program for copper, gold and other metals is being planned by the Paterson Joint Venture.

R M Joyce
DIRECTOR

16 November 2009

The information in this report that relates to Exploration Results is based on information compiled by R M Joyce, who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of the Company. Mr Joyce has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Joyce consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.