



ASX ANNOUNCEMENT

RED HILL IRON DEBUT (ASX-RHI)

The Directors of Giralia Resources NL ("Giralia") congratulate Red Hill Iron Limited ("Red Hill Iron") on its impressive trading debut on ASX. Red Hill Iron was formed through the amalgamation of Giralia's West Pilbara tenement holdings with those of a private syndicate.

Eligible Giralia shareholders received priority application rights for 60% of the offer by Red Hill Iron, and Giralia owns 6,533,333 Red Hill Iron shares, representing approximately 19.6% of Red Hill Iron's issued capital on listing. The Board of Red Hill Iron comprises current Giralia Directors Graham Riley and Stan Macdonald, along with local mining identities Joshua Pitt and Garry Strong.

Quotation of Red Hill Iron's securities commenced at 9.30 am WST today, Tuesday 14 February 2006.

Red Hill Iron controls around 1,900 square kilometres of iron ore prospective tenements in the West Pilbara region of Western Australia extending southwards from the Robe River-Pannawonica iron ore mining operations, and including known Channel Iron Deposits ("CIDs") associated with Tertiary aged river channels.

Red Hill Iron's West Pilbara tenements are subject to an iron ore specific exploration joint venture with API Management Pty Ltd ("API"), a company equally owned by Aquila Resources Limited ("Aquila") and US coal miner AMCI Holdings Australia Pty Ltd.

Aquila's recently released December 2005 quarterly report details drilling results from iron ore exploration on an immediately adjoining tenement, including intersections of 15 metres @ 56.7% Fe, 11 metres @ 57.6% Fe and 17 metres @ 56.4 % Fe, from the Catho Well prospect. Rock chip grades to 58.3% Fe are reported from Catho Well North where the same CID channel trends into Red Hill Iron's tenements. These early results are viewed as indicative of significant potential within Red Hill Iron's West Pilbara project area. For reference grades at the Robe River and Yandi CID mining operations are reported to be in the range 57% to 58% Fe.

R M Joyce
Director

14 February 2006
Perth, WA

The Information in the above announcement was compiled by R M Joyce, who is a Member of the Aus.I.M.M., with not less than 5 years experience in the relevant fields, and who consents to the report appearing in the form and context in which it appears.