

21 December 2010

ASX Operations
Announcement Office
Level 10, 20 Bond Street
SYDNEY NSW 2000

Dear Sir/Madam

INVESTOR PRESENTATION RE RECOMMENDED TAKEOVER OFFER

Attached is a copy of an investor presentation in relation to the recommended takeover offer by Atlas Iron Limited for Giralia Resources NL announced today.

An investor/analyst call will be held at 3:30pm AEDST (12:30pm WST).

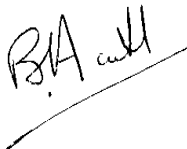
Dial-in details for the call are as follows:-

Australia (Toll-free) – 1800 554 798

International – +612 8113 1400

Confirmation Code – 7100850

Yours faithfully



Bruce Acutt
Company Secretary

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Giralia will host a conference call at 3.30pm (AEDST)
Dial-in: 1800 554 798 / Confirmation Code: 7100850

Creating Australia's Premier Mid-Tier Iron Ore Company

Recommended Takeover Offer from Atlas Iron

21 December 2010



Legal Disclaimer

The material in this presentation is a summary of the recommended takeover of Giralia NL by Atlas Iron Limited and is current at the date of preparation.

No representation, express or implied, is made as to the fairness, accuracy, completeness or correctness of information contained in this presentation, including the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this presentation ("forward-looking statements"). Such forward-looking statements are by their nature subject to significant uncertainties and risk factors and are based on a number of estimates and assumptions that are subject to change (and in many cases are outside the control of Giralia, its Directors and Officers) which may cause the actual results or performance of Giralia to be materially different from any future results expressed or implied by such forward-looking statements – including but not limited to commodity price fluctuations, drilling and production results, reserve and resource estimates, loss of customers, industry competition, environmental risks, equipment risks, legislative, fiscal and regulatory developments, economic conditions, political risks, project delay or advancement, approvals and cost estimates.

This presentation provides information in summary form only and is not intended to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.

Due care and consideration should be undertaken when considering and analysing Giralia's financial performance and position. All references to dollars are to Australian dollars unless otherwise stated.

To the maximum extent permitted by law, neither Giralia nor its related corporations, Directors, employees or agents, nor any other person, accepts any liability, including, without limitation, any liability arising from fault or negligence, for any loss arising from the use of this presentation or its contents or otherwise in connection with it.

This presentation should be read in conjunction with other publicly available material. Further information including historical results and a description of the activities of Giralia is available on the Giralia website, www.giralia.com.au



Transaction Summary

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Transaction	<ul style="list-style-type: none"> ■ Off market takeover offer by Atlas for all of the shares in Giralia ■ Unanimously recommended by Giralia’s Board, in the absence of a Superior Proposal and subject to confirmation from an independent expert that the offer is fair and reasonable to Giralia shareholders
Offer Value	<ul style="list-style-type: none"> ■ Offer values Giralia’s equity at \$828 million, based on the five day VWAP of Atlas shares of \$3.05 to 20 December 2010 ■ Shareholders have choice of offer consideration: <ul style="list-style-type: none"> – 1.5 Atlas shares per Giralia share (“All Scrip Alternative”); or – 1.33 Atlas shares plus \$0.50 per Giralia share (“Scrip and Cash Alternative”) ■ The implied offer value of \$4.57⁽¹⁾ per Giralia share represents a premium of: <ul style="list-style-type: none"> – 52.9% to the closing price of Giralia shares on 20 December 2010 – 53.5% to the 1 month VWAP of Giralia shares to 20 December 2010
Exclusivity and Pre-Bid Agreements	<ul style="list-style-type: none"> ■ Customary no shop / no talk provisions ■ Atlas right to match a Superior Proposal ■ Giralia’s Board of Directors have all agreed to accept the offer in relation to all of their shares (combined 7.5% of the company)
Conditions	<ul style="list-style-type: none"> ■ Key conditions⁽²⁾ include: <ul style="list-style-type: none"> – Minimum acceptance condition of 90% – No material adverse change in relation to Giralia – Acquisition by Atlas or cancellation of all outstanding options over Giralia shares
Board of Directors	<ul style="list-style-type: none"> ■ Following successful completion of the offer, a Giralia director will be invited to join the board of Atlas
Indicative Timetable	<ul style="list-style-type: none"> ■ Bidder’s Statement expected to be despatched in early January ■ Target’s Statement (including independent expert’s report) expected to be despatched in late January

(1) Based on the implied value of the All Scrip Alternative.
 (2) Full conditions will be set out in Atlas’ Bidder’s Statement.



Strategic Rationale

#1

Creates the leading ASX listed independent mid-tier iron ore company

- Pro forma combined market capitalisation of approximately \$2.5 billion
- Balance of cash flow producing assets, near term development projects and longer term exploration options

#2

Highly complementary assets with significant development / infrastructure synergies

- Combines Giralia's strong resource position with Atlas' strategic port position
- Atlas' existing port arrangements provide an infrastructure solution to support the development of Giralia's assets
- Adjacent tenement positions at Mt Webber allows for development as one deposit
- McPhee Creek has the potential to form part of an extended 20Mtpa+ Turner River Hub facility
- Potential to substantially reduce combined capital and operating costs

#3

Enhanced capital markets profile and financial capabilities

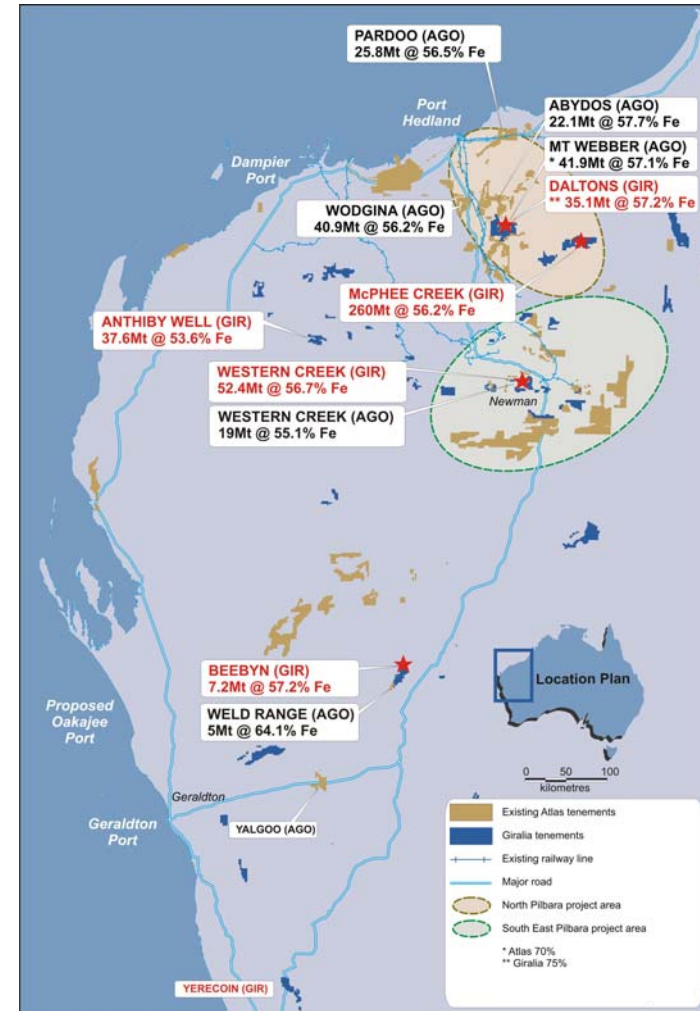
- Increased size and scale will provide greater access to capital to support project development
- Stronger capital markets profile including potential for ASX 100 inclusion
- Enhanced scale provides a better platform to pursue further acquisition opportunities

#4

Complementary management skills

- Combining Atlas' operational and project development capabilities with Giralia's exploration expertise will facilitate fast-track development of Giralia's assets

- ✓ **Combination of Giralia's large DSO iron ore resources with Atlas' considerable DSO resources and reserves**
- ✓ **Key deposits close in proximity**
- ✓ **Atlas has significant rights to port capacity**
- ✓ **Opportunity for production growth, operating cost reduction, cash-flow maximisation**
- ✓ **Significant value delivery to shareholders**



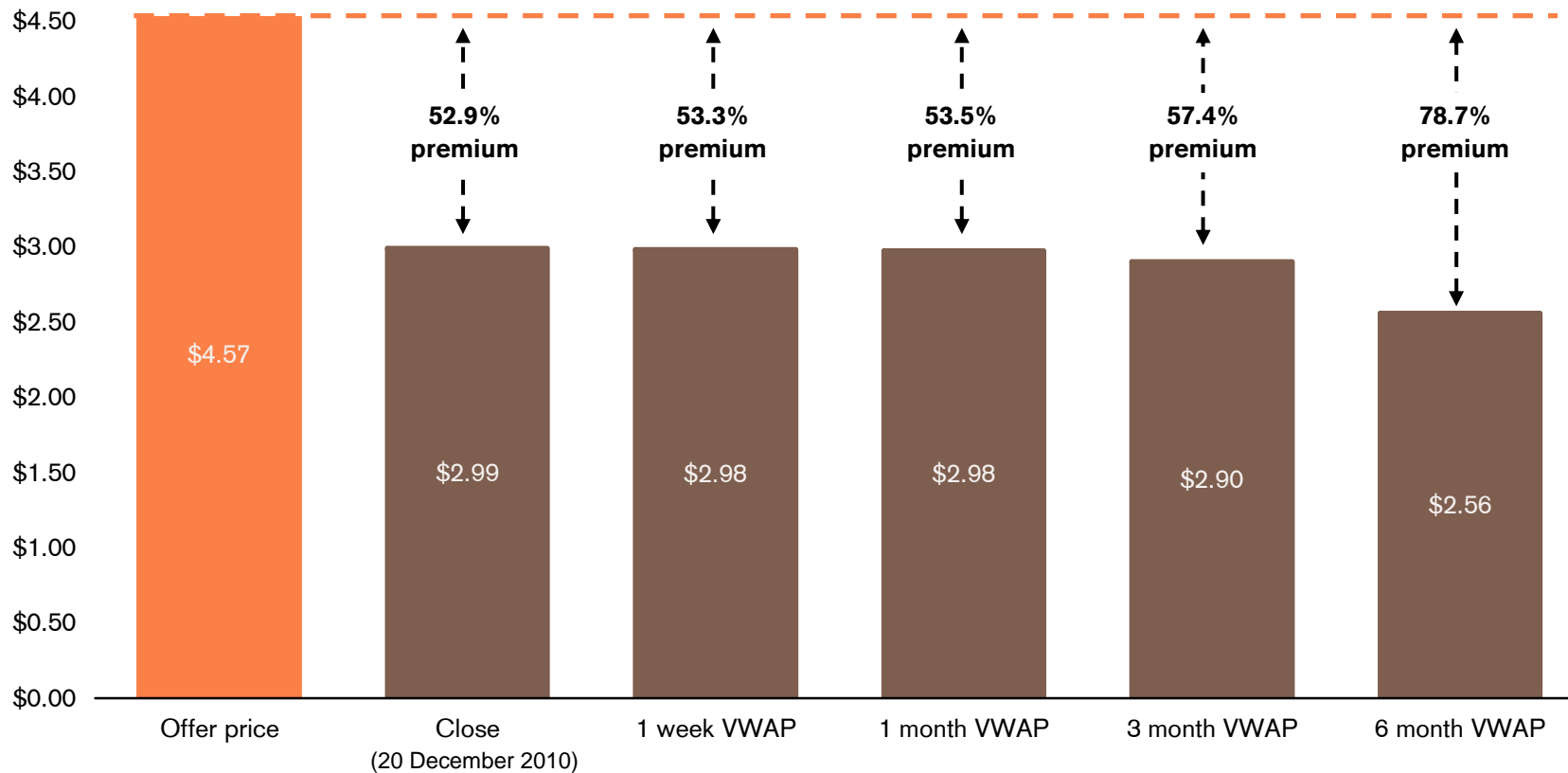


Benefits to Giralia Shareholders

- ✓ **Attractive Offer Price**
- ✓ **Complementary Assets**
- ✓ **Increased Resource Base**
- ✓ **Enhanced Access to Capital**
- ✓ **History of Shareholder Returns**
- ✓ **Capital Gains Tax Rollover Relief likely for Eligible Shareholders**

Attractive Offer Price

The implied Offer price⁽¹⁾ represents a significant premium to the recent trading levels of Giralia shares



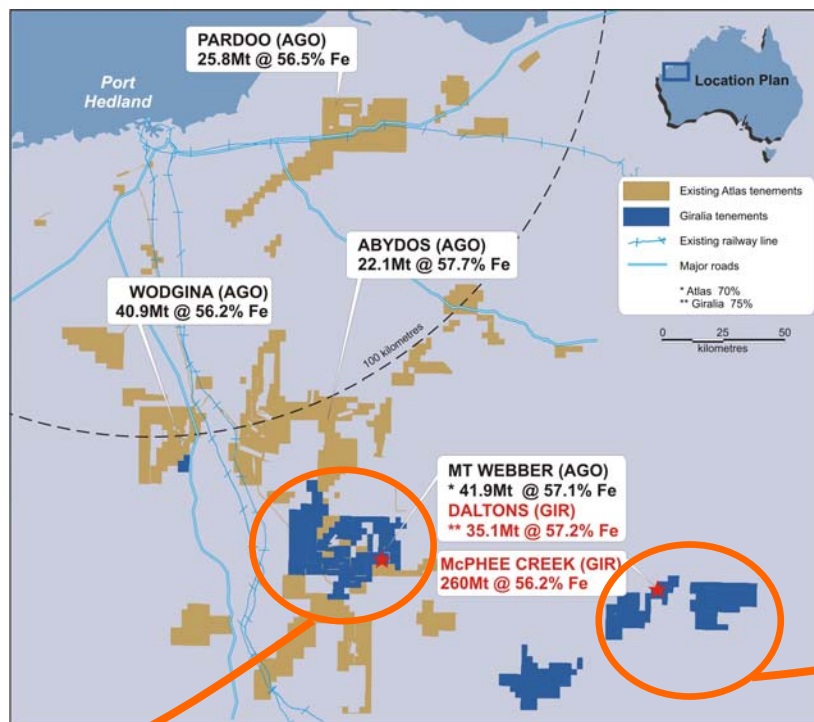
Source: IRESS.

(1) Based on the implied value of the All Scrip Alternative.

Complementary Assets

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Atlas' Mt Webber project (Atlas - 70%) and Giralia's Daltons Project (Giralia - 75%) have the potential to be developed together as one 80Mt deposit

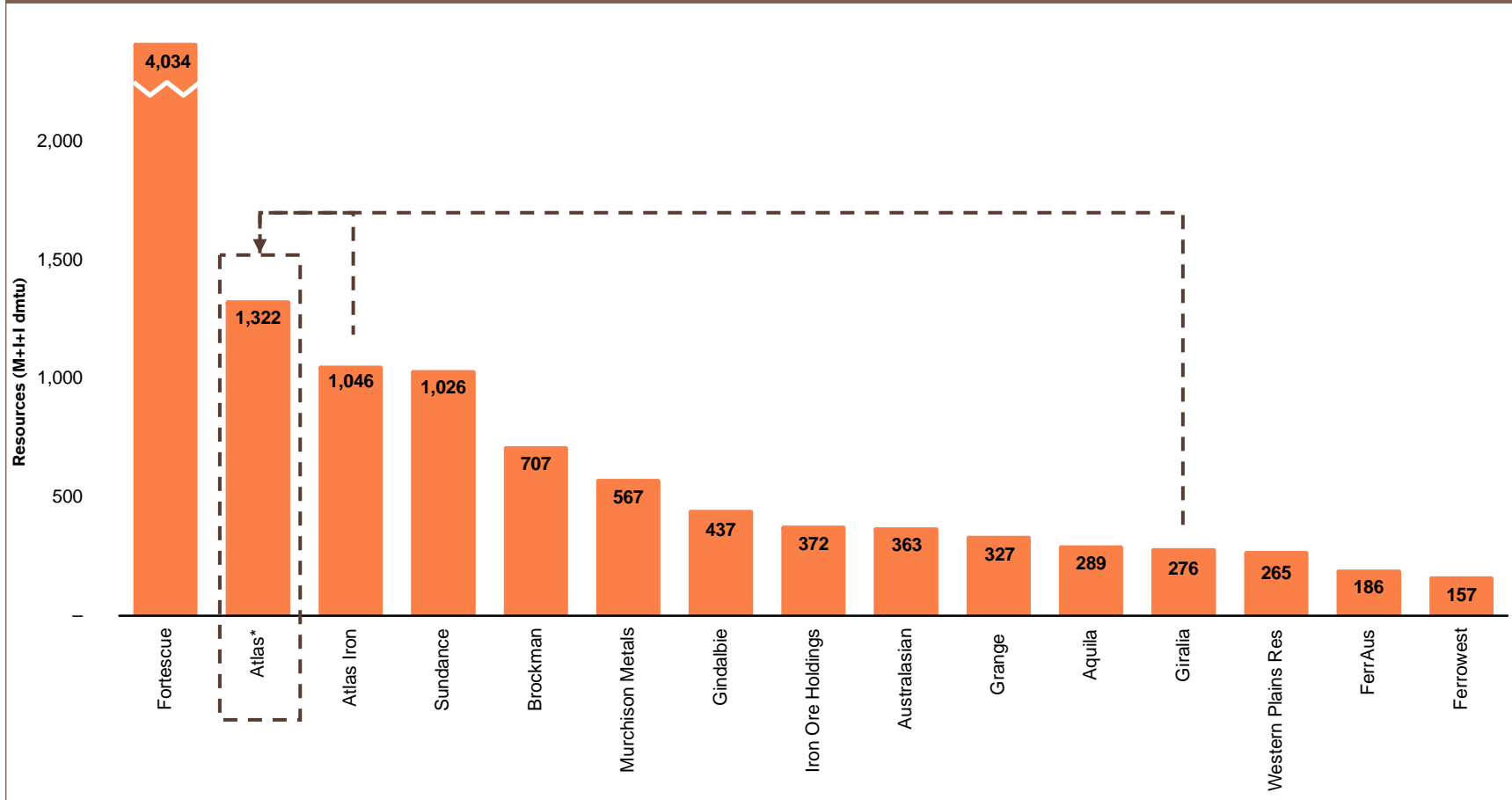


Giralia's McPhee Creek has the potential to form part of an expanded 20Mtpa+ Turner River Hub facility

- ✓ Combined 602Mt of DSO resources
- ✓ Additional exploration targets of 255Mt to 690Mt at 56% to 60% Fe
- ✓ Two outstanding magnetite projects
- ✓ Highly prospective 26,000km Pilbara landholding

Increased Resource Base

Top 15 ASX listed iron ore companies by Resources⁽¹⁾



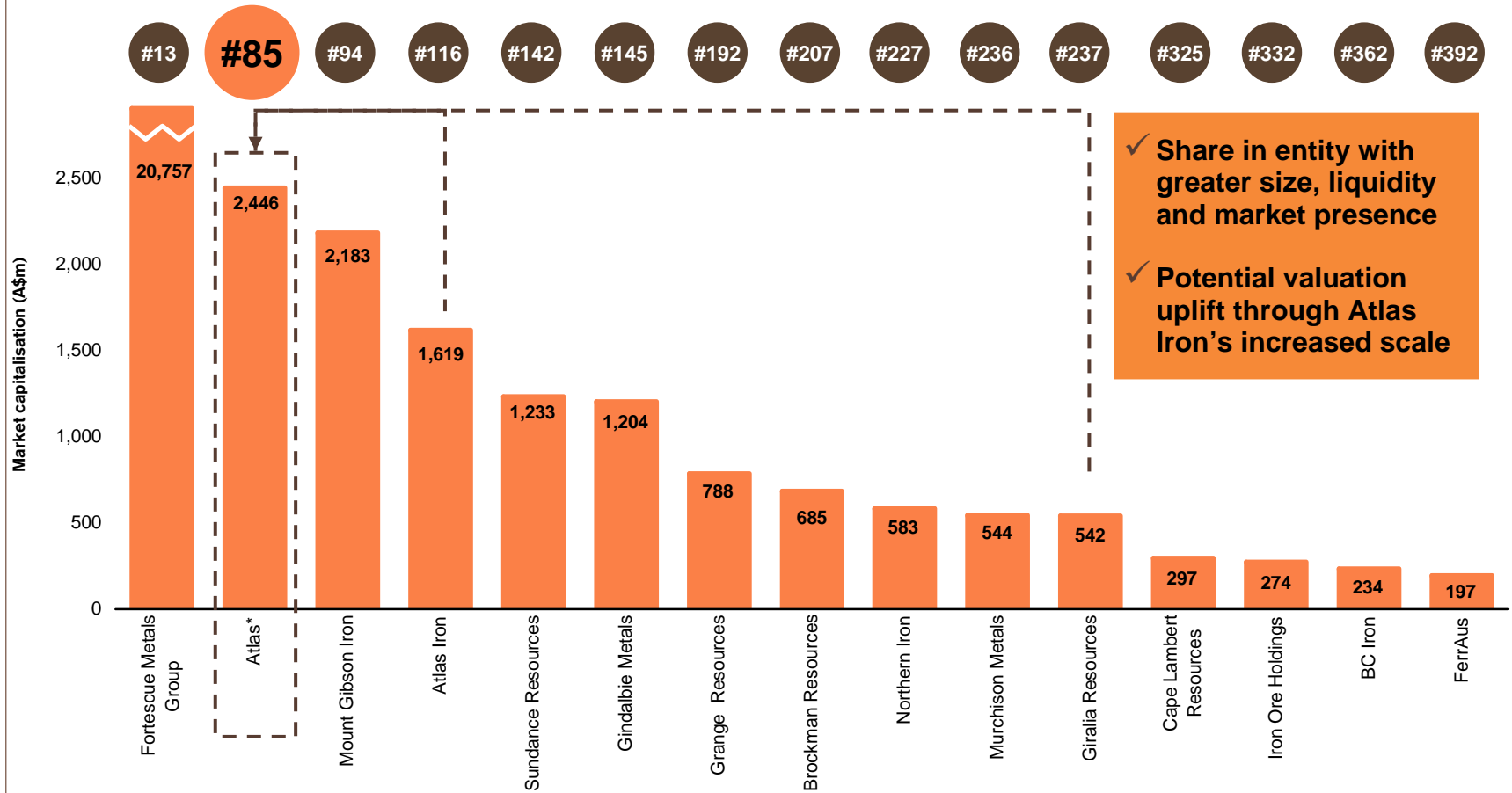
Source: Company information.

(1) Resources presented on an attributable M+I-I dmtu basis (inclusive of magnetite resources).

* Refers to the combined entity following completion of the transaction.

Enhanced Access to Capital

ASX listed iron ore companies >\$200m – Market capitalisation (A\$m) and ranking by size



Source: IRESS.

(1) As of close on 20 December 2010.

* Refers to the combined entity following completion of the transaction, representing Atlas current market capitalisation plus the implied equity value under the offer for Giralia.

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History of Shareholder Returns

AGO has significantly outperformed the ASX300 Accumulation Index since its listing



Source: IRESS.

Note: Rebased to AGO as at 17 December 2004.



Indicative Offer Timetable

6 January 2011 (Thursday)

- Atlas provides its Bidder's Statement to Giralia, ASIC and ASX

10 January 2011 (Monday)

- Atlas despatches Bidder's Statement to Giralia shareholders

11 January 2011 (Tuesday)

- Atlas Offer opens

19 January 2011 (Wednesday)

- Giralia provides its Target's Statement to Atlas, ASIC and ASX

24 January 2011 (Monday)

- Giralia despatches its Target's Statement to its shareholders

11 February 2011 (Friday)

- Close of Atlas Offer (unless extended)



Competent Person Statements

Western Creek, McPhee Ck main range, Yerecoin and Anthiby Well Resources

The information in the report that relates to in-situ Mineral Resources at Western Creek, McPhee Creek main range, Yerecoin and Anthiby Well is based on information compiled by Mr Grant Louw of CSA Global. Grant Louw takes overall responsibility for the Report. He is a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition). Grant Louw consents to the inclusion of such information in this Report in the form and context in which it appears.

Beebyn and McPhee Ck CID Resources

The information in this Report that relates to in-situ Mineral Resources at Beebyn and Mc Phee Creek CID is based on information compiled by Malcolm Titley of CSA Global. Malcolm Titley takes overall responsibility for the Report. He is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition). Malcolm Titley consents to the inclusion of such information in this Report in the form and context in which it appears.

Daltons-Mt Webber Resource

The information in the report that relates to in-situ Mineral Resources at Mt Webber is based on information compiled by Mr Chris Allen of CSA Global. Mr Chris Allen takes overall responsibility for the Report. He is a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition). Mr Chris Allen consents to the inclusion of such information in this Report in the form and context in which it appears.