

WELCOME ABOARD

Catalpa has a small corporate management team, based in Perth. Welcome to the newcomers:

Name	Position	Start Date
Lauren Ayres	Receptionist	07.09.09
Peta Gerrard	Technical Database Administrator	17.06.09
Rebecca Haines	Executive Assistant	14.12.07
Stuart Ladhams	Senior Management Accountant	19.05.09
Bruce McFadzean	Managing Director	09.06.08
Erik Palmbachs	Chief Financial Officer	20.10.08
Adrian Pelliccia	Manager Geology	25.5.09
Stuart Pether	General Manager Operations	12.01.09
Donna Posselt	Office Administrator	13.07.09
Nicholas Winnall	Exploration Manager	24.03.06
Lester Wood	Contracts Engineer	09.09.09

There are a number of contractors and consultants contributing the development of Catalpa's Edna May Gold Project:

GR ENGINEERING SERVICES, WESTONIA CIVIL EARTHMOVING, COFFEY MINING, OUTBACK ECOLOGY, FORCE EQUIPMENT SERVICES AND HIRE, WALLIS DRILLING, RMS, GDL CONTRACT CONSULTING, CATER CARE, ROCKWATER AND MANY OTHERS.

Welcome aboard and thank you for your valued support.

ACCOMMODATION VILLAGE A 'HOME-AWAY-FROM-HOME'



In preparation for the anticipated workforce of more than 180 employees and contractors during peak construction at the Edna May Gold Project, Catalpa has constructed an accommodation village with 88 permanent rooms and 48 temporary rooms in Westonia, less than 2km from the mine.

John Fraser, Edna May Gold Project's Resident Manager, said the village has been designed to provide a comfortable and social 'home-away-from-home' for the Edna May Gold Project employees who live too far away to safely drive home after shift.

"The Edna May Accommodation Village is equipped with a state-of-the-art catering facility, dining and recreation venues and air-conditioned en-suite rooms in the shady setting of Westonia's Caravan Park," he said.

"Thanks to the hospitality of the Westonia Shire and townsfolk, Edna May Gold Project's employees have access to the excellent local facilities including the swimming pool and sports facilities, library, cinema and the local tavern."

"Currently 140 employees and contractors are in residence, but after peak construction when the mine settles down to normal production, it will be home to about 100 employees while they are on their commute shift roster."

CONSULTING WITH THE COMMUNITY

Stuart Pether, General Manager Operations and his team conducted 12 community engagement meetings around the Wheatbelt between May and August 2009 as part of the Company's commitment to transparency, and to promote local recruitment. Catalpa aimed to initially employ at least 30% of its workforce locally, and to increase that percentage to 50% in time.

Meetings were held in the local communities of Kellerberrin, Mukinbudin, Merredin, Southern Cross, Narembreen and Westonia, where Catalpa provided community audiences with an update on the Edna May Gold Project, and invited potential employees and local suppliers to register their interest in either working for- or supplying the mine.

The feedback from local communities has been very supportive, and the community roadshows were a great success with 30% of the Edna May Gold Project's current full-time workforce recruited from within a 40 minute daily drive of the mine, and 24% from within the surrounding communities and staying in the Edna May Accommodation Village.



IN AUGUST 2009 FOLLOWING A COMMUNITY PRESENTATION IN WESTONIA AT THE OLD PICTURE HALL, SITE TOURS WERE ALSO CONDUCTED TO GIVE INTERESTED LOCALS A FIRST-HAND LOOK AT THE EDNA MAY GOLD PROJECT AND ACCOMMODATION VILLAGE UNDER CONSTRUCTION

THE CATALPA CHRONICLES



AT THE HELM

DEAR CATALPA COMMUNITY

This year has been an eventful year for us. We started out at the beginning of 2009 as a junior gold exploration company, and today we are a modest gold producer following our successful merger with our largest shareholder, Lion Selection Group earlier this month.

Our two main assets are a 30% stake in Cracow, a producing gold mine in Queensland and 100% of the Edna May Gold Project, which is well under construction.

But it's Edna May's first gold production that excites us the most. I'm pleased to report that the Edna May Gold Project on the outskirts of Westonia, is on schedule to yield up her first bar of gold in more than 20 years by June next year.

That's just six months away, and work is steaming ahead in preparation for that big event. No doubt we will be celebrating with you when that milestone is achieved.

In the mean time, we remain very focussed on completing the Project without lost time injuries, on time, and within budget.

We are mindful that the success of our operations is hinged on the support of the communities we operate in, and are very grateful for the support of the Westonia Shire, its people and businesses in the development of the Edna May Gold Project. In turn, we remain committed to recruiting locally and using local businesses wherever possible.

We look forward to further strengthening our ties with our local communities in the year ahead.

I'd like to take this opportunity to thank you for your hospitality and support, and to wish you and your family a blessed Christmas, and a very happy, healthy and prosperous New Year.

BRUCE MCFADZEAN
MANAGING DIRECTOR



EDNA MAY GOLD PROJECT: THE SITE BEFORE
CONSTRUCTION COMMENCED IN JULY THIS YEAR



DECEMBER 2009



ED'S COLUMN

DEAR READERS

It is a pleasure to bring you Catalpa's first quarterly community newsletter, as we aim to keep you, our valued stakeholders well informed about our business.

They say a picture speaks a thousand words. The past and present photographs of the Edna May Gold Project site works on the cover tell a very clear story about the development milestones achieved in a very short space of time.

On the opposite page you'll see a list of Catalpa's new employees. Welcome guys and girls!

To other prospective employees in the Wheatbelt community, we invite you to register your interest in Catalpa. Please visit the 'Community' page on our website, www.catalparesources.com and simply click on the Interested and Affected Parties downloadable form. Fill it out and send it back to us to be considered for suitable opportunities when they arise.

Even before the Edna May Gold Project got the go-ahead in July this year, Catalpa has been getting involved in the local community. Some of our recent community participation is shared in this newsletter.

But we don't want to do all the talking - we'd love to hear back from you too. You can email me, editor@catalparesources.com.au or write to us at:

Letters to the Editor
Catalpa Resources
Level 1, 9 Havelock Street
West Perth
6005

We will feature your letters to the editor in future editions. Until then, Merry Christmas and a very Happy New Year to you and yours.

REBECCA HAINES
EDITOR

MERGER TO FORM A MID-TIER GOLD COMPANY

On 27 November the Supreme Court of Victoria approved a merger between Catalpa and its largest shareholder, Lion Selection Limited, bringing us yet another step closer to our vision of becoming a mid-size gold producer.

In addition to the 100 000 ounce per annum Edna May Gold Project, following the merger Catalpa now owns a 30% stake in Cracow, an operating gold mine in Queensland. This means that when Edna May comes online in June 2010, Catalpa will be producing gold at a rate of 130 000 ounces a year.

Both Edna May and Cracow have significant upside potential, with successful ongoing exploration programmes at both of these sites.



CATALPA AT THE MERREDIN CAREERS EXPO

Earlier this year, Catalpa participated in the 2009 Merredin Careers Expo, an interactive careers day aimed at sharing career information with local Year 10 – 12 students. Catalpa showcased the wide range of careers available in the mining sector, and the significant role that mining plays in WA's economy.

Hosted at Merredin Senior High School and attended by hundreds of senior students from high schools throughout the district, the Merredin Careers Expo was hailed as a great success.



THE LUCK OF THE IRISH

On Sunday, 2 August Catalpa's management team headed out to Kalgoorlie's famous Diggers and Dealers Mining Conference, where the Company had also sponsored a race in the Kalgoorlie / Boulder Race Day – The Catalpa Cup.

The team bet on number 8 'Merlin Magic', which very luckily came through for the win, as your Editor was down the princely sum of \$2 at the time.

Perhaps the luck comes from Catalpa's 'Irish Origin' as the Company was named after a famous vessel in WA's local history; namely the Catalpa Rescue of 1876, which symbolises our culture of being well planned and executed, brazen, and successful.



OPERATIONS UPDATE

In recent months we have reached several significant milestones at the Edna May Gold Project as work on site progresses rapidly through the construction phase towards commissioning the gold processing plant, pre-stripping of the Edna May open pit and construction of the Tailing Storage Facility.

As far as the Project goes, we are about 60% complete, and on schedule to achieve our first gold pour in June 2010.

The rapid progress on site is testimony to the hard work of all of our contractors and employees, many of whom have been recruited from local communities around the Project. I especially want to congratulate everyone on our excellent safety record. At times we've had up to 180 people employed on site, and since the start of the Project we've had zero lost time injuries (LTI's). This a great effort, as zero harm to people is our highest priority.

At the same time, our ongoing exploration programme continues to define more gold in the ground. Since the beginning of the year the Edna May Gold Project's Ore Reserve has increased from 738 000 ounces of gold as estimated in the Bankable Feasibility Study, to 954 000 ounces, effectively extending the Edna May Gold Project's life beyond nine years.

With more targets still to be drilled in the coming months, we remain confident we are developing a sustainable mining operation for the benefit of all our stakeholders.

Also, our 30% stake in the Cracow Gold Mine operation, following the merger with Lion Selection, is a welcome addition to Catalpa, as it moves us truly into producer status.

I'd like to wish you all a Merry Christmas and a safe, happy and prosperous New Year.

STUART PETHER
GENERAL MANAGER OPERATIONS



PART OF CATALPA'S EDNA MAY GOLD PROJECT MINING FLEET ON SITE. MINING COMMENCED ON 15 OCTOBER 2009.

WELCOME ABOARD

We welcome the following employees to the Edna May Gold Project, and wish them a long, safe and rewarding career with Catalpa:

Name	Position	Start Date
Michael Ashman	Mine Technician	03.12.09
Graeme Blair	Mine Technician	12.11.09
Alan Bright	Senior Mine Surveyor	05.10.09
David Browne	Mine Operations Supervisor	17.09.09
Robert Bryson	Support Technician	29.10.09
Jason Carey	Mine Operations Supervisor	08.10.09
Toni Chapman	Mine Technician	26.11.09
Kathy Clark	Mine Technician	05.11.09
Chaz Craggs	Mine Technician	01.12.09
Ian Crealy	Mine Technician	05.11.09
Kasey Dunkley- Cooper	Support Technician	22.10.09
Robert Dyer	Mine Technician	03.12.09
John Fraser	Resident Manager	24.08.09
Christine Gladki	Site Administrator	12.10.09
Barry Green	Mine Technician	29.10.09
Erin Harris	Site Coordinator (Casual)	22.09.09
Daniel Henry	Mine Geologist	04.01.10
Matthew Hindley	Surveyor	02.11.09
Jason Hogan	Mine Technician	26.11.09
Mark Jefferys	Mine Technician	22.10.09
Robert Jolly	Mine Technician	05.11.09
Barry Keillor	Mine Technician	22.10.09
Dee-Ann Keillor	Mine Technician	22.10.09
Shane Kerr	Mine Technician	26.11.09
Paige Lang	Site Administrator	26.10.09
Robert Lea	Mine Technician	26.11.09
Ewa Lofstrom	Mine Technician	12.11.09
Kimberley Loughnan	Mine Technician	01.12.09
Dennis McDeed	Construction Projects Sup	03.01.06
Tegan McFadzean	HR Coordinator	28.04.09
Michala McMahon	Recruitment Administrator (Casual)	21.08.09
Peter O'Flaherty	Mine Technician	15.10.09
Bradley Price	Mine Technician	25.05.09
Ken Puls	Maintenance Supp	13.07.09
Michael Rakuita	Mine Production Engineer	02.11.09
Philip Salvage	Mine Technician	12.11.09
Arie Schaap	Senior Mine Geologist	12.08.09
Antonio Settineri	Mine Technician	22.10.09
Willem Tieland	Support Technician	25.05.09
Shane Towler	Mine Technician	15.10.09
William Towse	Mine Technician	22.10.09
Antonie Van De Leur	Mine Technician	05.11.09
Jonathan Winton	Mine Technical Supp	08.06.09
Guy Withers	Mine Technician	29.10.09
Dick Yates	Mining Manager	30.11.09