

20 January 2010

## NOTICE OF GENERAL MEETING TO CANCEL 50M SHARES

As a result of the recent merger with Lion Selection Limited, Catalpa holds approximately 50 million shares in itself. Catalpa today announces a shareholder General Meeting to be held on 18 February to vote on a Selective Buy Back of 49,922,703 ordinary shares which will then be cancelled reducing the number of shares from 195 million to 145 million ordinary shares.

In accordance with section 257D of the Corporations Act 2001, the Company will ask shareholders to approve a selective buy-back of 49,922,703 ordinary shares in the Company, being shares held by Auselect Limited, a wholly owned subsidiary of the Company, for nil consideration, on the terms and conditions set out in the Explanatory Statement being sent to shareholders today.

Bruce McFadzean, Catalpa's Managing Director commented "the share buyback and the resultant cancellation of the shares should remove any confusion and uncertainty in relation to the number of tradable shares on our Share Register. We have taken the hard decisions to clean up our register as part of the merger transaction and the cancellation of the shares completes this process. The share Buyback and share cancellation has the unanimous support of our Directors. We will have a clean structure with 145 million shares and 16 million options upon completion of the share cancellation."

ENDS

### For further enquiries contact:

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### ASX Code\*: CAH

Tradable shares on issue\*:

*\*144,648,277*

Share Price Current\*:

*\$1.50 (19 January 2010)*

12 month range

*\$1.98 (high) - \$0.20 (low)*

### Board of Directors

Mr Peter Maloney	Non Exec Chairman
Mr Bruce McFadzean	Managing Director
Mr John Rowe	Non Exec Director
Mr Murray Pollock	Non Exec Director
Mr Barry Sullivan	Non Exec Director
Mr Graham Freestone	Non Exec Director
Mr Graham Anderson	Company Secretary
Mr Leonard Math	Company Secretary

### Senior Management

Erik Palmbachs	CFO
Stuart Pether	GM Operations
Nick Winnall	Manager Exploration
Adrian Pelliccia	Manager Geology

### Major Shareholders\*

HSBC Custody Nominees	8.72%
National Nominees Limited	7.27%
Citicorp Nominees P/L	3.41%
ANZ Nominees Limited	3.27%
Lion Manager P/L	3.04%
Cogent Nominees	2.90%
Creasy Mark Gareth	1.57%
Reneagle P/L	0.89%
Goldrich Holdings	0.75%
Nefco Nominees P/L	0.62%

\* Total issued capital of 194,570,980 shares, including 50M shares held by Auselect Limited (a wholly-owned subsidiary of Catalpa) which, subject to shareholder approval, Catalpa intends to cancel within 12 months from the date of the merger with Lion Selection Limited



## **ABOUT CATALPA RESOURCES**

**Catalpa Resources Limited (ASX: CAH)** has two exciting gold assets; a 30% interest in the 100,000 ounce per annum Cracow Gold Operations - a producing gold mine in Queensland (70% Newcrest Mining Limited); and the 100,000 ounce per annum Edna May Gold Operations in Western Australia (100%) - an advanced gold project on schedule to commence production in June 2010.

The A\$92 million Edna May Gold Project is fully funded, and, as part of the finance facility, Catalpa has sold forward 352,316 ounces of gold at A\$1,557.50 per ounce. At an average gold price of A\$1,400 per ounce Catalpa will realize an average cash operating margin of A\$72 million per annum from the Edna May Gold Operations alone.

With a combined Mineral Resource of more than 1.9 million ounces and a combined Ore Reserve of more than a million ounces of gold (refer announcement dated 2 December 2009), the Cracow and Edna May Operations will provide a sustainable cash flow to fund Catalpa's growth strategy.

Catalpa is confident that both the Cracow and Edna May Gold Operations offer further Reserve and Resource growth potential, with ongoing exploration programmes at both operations. In parallel, the Company continues to proactively identify and assess other production growth opportunities.

The Company has a committed and technically accomplished management team and a highly-experienced and supportive Board, committed to realising shareholder value from the Company's growing asset portfolio.

Catalpa has adopted best practice standards across all its activities, including health and safety, environmental management, corporate governance and social responsibility.

### **EDNA MAY OPERATIONS (100%)**

Catalpa's wholly-owned Edna May Gold Operations is conveniently positioned just two kilometers from the infrastructure of Westonia, on the eastern edge of WA's Wheatbelt region. The mine is half way between Perth and Kalgoorlie and ideally situated to be serviced by either of these major mining centres.

With its robust economics, geologically and metallurgically well defined ore-body, high Ore Reserve confidence and excellent recovery rate of more than 92%, Catalpa's Edna May Gold Operations offers an attractive, long-term platform to grow a mid tier gold producer.

Catalpa's mine and processing schedule demonstrate average gold production at Edna May in excess of 100,000 ounces of gold recovered per annum for a life of mine of more than nine years, with production planned to commence in June 2010.

### **CRACOW GOLD OPERATIONS (30%)**

Catalpa owns 30% of the Cracow Gold Operations in Queensland with Newcrest Mining Limited, and also has a pre-emptive right over Newcrest's 70% stake in the asset. The Cracow Gold Project is well managed and operated by Newcrest, allowing Catalpa to remain focused on constructing the Edna May Gold Project on time and within budget.

The Cracow Gold Project has a history of steady gold production of over 100,000 ounces per annum for the past four years and it is considered to have considerable exploration upside.

