

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
Catalpa Resources Limited	ABN 74 084 669 036

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	Selective buy-back
2	⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary shares
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the ⁺ class on issue	194,581,040
6	Whether shareholder/unitholder approval is required for buy-back	Shareholder approval is required

⁺ See chapter 19 for defined terms.

7	Reason for buy-back	<p>The buy-back has been proposed as a result of the merger of Catalpa Resources Limited (Company) and Lion Selection Limited on 10 December 2009. As a result of the merger, Auselect Limited (Auselect), which holds 49,922,703 shares in the Company, became a wholly-owned subsidiary of the Company. Section 259D of the Corporations Act provides that if a company obtains control of an entity that holds shares in the company, then, within 12 months, the entity must cease to hold the shares or control the entity. Accordingly, the Company proposes to buy-back Auselect's shares for nil consideration on the terms set out in an agreement between the Company and Auselect.</p> <p>For further details of the buy-back, please refer to the explanatory memorandum accompanying the notice of meeting dated 20 January 2010.</p>
8	Any other information material to a shareholder's/unitholder's decision whether to accept the offer (<i>eg, details of any proposed takeover bid</i>)	No

On-market buy-back

9	Name of broker who will act on the company's behalf	N/A
10	Deleted 30/9/2001.	
11	If the company/trust intends to buy back a maximum number of shares - that number	N/A

Note: This requires a figure to be included, not a percentage.

- | | | |
|----|---|-----|
| 12 | If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention | N/A |
| 13 | If the company/trust intends to buy back shares/units if conditions are met - those conditions | N/A |

Employee share scheme buy-back

- | | | |
|----|---|-----|
| 14 | Number of shares proposed to be bought back | N/A |
| 15 | Price to be offered for shares | N/A |

Selective buy-back

- | | | |
|----|--|-------------------|
| 16 | Name of person or description of class of person whose shares are proposed to be bought back | Auselect Limited |
| 17 | Number of shares proposed to be bought back | 49,922,703 |
| 18 | Price to be offered for shares | Nil consideration |

Equal access scheme

- | | | |
|----|--|-----|
| 19 | Percentage of shares proposed to be bought back | N/A |
| 20 | Total number of shares proposed to be bought back if all offers are accepted | N/A |
| 21 | Price to be offered for shares | N/A |

⁺ See chapter 19 for defined terms.

22 +Record date for participation in offer

N/A

Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust’s constitution, relevant to this buy-back.

2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.



Sign here:

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(~~Director~~/Company secretary)

Date: 20 January 2010.

Print name: .GRAHAM ANDERSON.....