

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Catalpa Resources Limited

ABN

74 084 669 036

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

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|---|--|--|
| 1 | +Class of +securities issued or to be issued | <p style="text-align: center;">Ordinary Shares</p> |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <p>Approximately 7,615,186 fully paid ordinary shares pursuant to an Entitlement Offer.</p> <p>The exact breakdown of fully paid ordinary shares to be issued under the Entitlement Offer is still to be finalised and is subject to the reconciliation of shareholder entitlements.</p> |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <p style="text-align: center;">Fully Paid</p> |

+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>\$1.25 per New Share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The purpose of the Entitlement Offer (and the Placement) is to raise funds to be used to:</p> <ul style="list-style-type: none"> • accelerate resource definition and exploration drilling at Catalpa's Edna May Gold Project; • facilitate the debt restructure with Macquarie Bank Limited; and • provide a working capital buffer during commissioning of Edna May.
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>23 April 2010</p>

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	After the Entitlement Offer there will be approximately 152,303,727 fully paid ordinary shares (based on the numbers of fully paid ordinary shares on issue at the date of this Appendix 3B and the maximum number of fully paid ordinary shares to be issued under the Entitlement Offer, subject to the effects of rounding).	Ordinary Shares
	1,915,828	Options exercisable at \$1.045 expiring June 2010
	5,467,864	Options exercisable at \$1.10 expiring October 2011

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	18,182	November 2010 – \$1.15 Options
	397,731	December 2013 – \$0.88 Options
	397,731	December 2013 – \$1.10 Options
	397,731	December 2013 – \$1.32 Options
	340,912	December 2013 – \$1.54 Options
	56,819	December 2013 – \$0.66 Options
	113,637	March 2014 – \$0.66 Options
	113,637	March 2014 – \$0.88 Options
	113,637	March 2014 – \$1.10 Options
	113,637	March 2014 – \$1.32 Options
6,060,606	March 2014 – \$0.83 Options	

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	No.
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+ See chapter 19 for defined terms.

12	Is the issue renounceable or non-renounceable?	Renounceable
13	Ratio in which the +securities will be offered	1 New Share for every 19 Shares held on the Record Date.
14	+Class of +securities to which the offer relates	Ordinary.
15	+Record date to determine entitlements	7pm (Sydney time) 26 March 2010
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Rounded up to the nearest whole number of New Shares.
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries except Australia and New Zealand and other jurisdictions in which the Company has decided to make offers.
19	Closing date for receipt of acceptances or renunciations	5pm (Perth time) on Friday 16 April 2010.
20	Names of any underwriters	Investec Bank (Australia) Limited and Austock Securities Limited.
21	Amount of any underwriting fee or commission	Total fee of 5% of gross proceeds raised under the Entitlement Offer
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A

26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	No prospectus has been produced. The Offer Documents will be sent on Thursday 30 March 2010.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Tuesday 16 March 2010.
28	Date rights trading will begin (if applicable)	Monday 22 March 2010.
29	Date rights trading will end (if applicable)	Friday 9 April 2010.
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	By completing the "Instructions to your Stockbroker" section of the Entitlement and Acceptance Form (E&A) and forwarding it to their stockbroker with sufficient time to sell their Rights before the last day of Rights trading.
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	By completing the front of the E&A as to the New Shares being accepted and forward it together with their payment to their stockbroker with sufficient time to sell their Rights before the last day of Rights trading (9 April 2010).
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	A Standard Renunciation or Transfer Form (together the Form) must be used for all disposals of entitlements other than through a stockbroker. These may be obtained through a stockbroker or our share registry, Security Transfer Registrars Pty Ltd (STR). The Form must be completed by the offeree as seller and by his/her nominated buyer. The duly completed Form should then be lodged with STR by the closing date (5pm Perth time on 16 April 2010) together with the E&A and application money payable (from the buyer).
33	⁺ Despatch date	23 April 2010.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

+ See chapter 19 for defined terms.

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and

+ See chapter 19 for defined terms.

that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 16 March 2010
(Company Secretary)

Print name: Leonard Math
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