



Catalpa Resources

▶ **ABC North West WA (Karratha)**
WA Country Hour - 16/03/2010 12:40 PM
Tara De Landgraft

De Landgraft speaks to Babs McHugh about a Gold Conference she attended in Perth today, which suggested that the royalty tax on gold may increase from two point five to five percent. McCue says there are fears that WA miners would face the highest royalties because of high transport costs. She notes that Les Davies, Silverlake Resources, has said WA may become much less attractive for explorers. McHugh says a consortium called the Gold Royalties Response Group has been formed from Silverlake Resources, **Catalpa**, Norton Goldfields, Crescent Gold, Avoca, Ramelius, Saracen, Swan Gold and the Association of Mining and Exploration Companies. McCue plays an excerpt of Colin Barnett, WA Premier, who says that he thinks it is fair to charge mining companies a royalty fee.

Interviewees: Colin Barnett, WA Premier [excerpt]

Mentions: Boddington; KCGM; Newcrest

Duration: 3.29

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Demographics

Demographics are not available as the media outlet has not commissioned audience research into this timeslot.

Media Monitoring

16 March 2010

WA BUSINESS NEWS ONLINE

<http://www.wabusinessnews.com.au/en-story.php?/1/79172/Catalpa-to-raise-20m-restructures-debt>

Catalpa to raise \$20m, restructures debt

Finance: 16-March-10 by Edited announcement

Explorer Catalpa Resources plans to raise \$20 million with part of the funds to be directed towards a restructure of an existing debt facility with Macquarie Bank.

The West Perth-based explorer today said it will raise \$10 million through a share placement to two investors, one in North America, with shares priced at \$1.32.

A further \$10 million is planned to be raised through a one-for-19 rights issue. Shares will be priced at \$1.25 each.

Shares in Catalpa dropped two cents to \$1.47 at 13:17 AEDT.

Catalpa has also struck an agreement with Macquarie to convert a \$10 million mezzanine loan facility into the existing project loan facility.

Under that deal, Macquarie had agreed to forgo its entitlement to 6.06 million Catalpa option that were exercisable at 82.5c each, in exchange for the placement of 500,000 shares.

Funds from the capital raisings will also be used to accelerate exploration activity at Catalpa's Edna May gold project, in WA's Wheatbelt region.

The funds will also provide a working capital buffer during commissioning of Edna May.

"The Edna May Gold project remains within budget and ahead of schedule with commencement of 'ore commissioning' of the process plant in mid April 2010," managing director Bruce McFadzean said.

"The debt restructure demonstrates Macquarie's confidence in the project and the management team, it lowers the level of project risk, reduces interest costs and removes the need to issue a further 6.06 million highly dilutive options under the present A\$10 million mezzanine loan facility."