

Media Monitoring

29 April 2010

MINEWEB

<http://www.mineweb.co.za/mineweb/view/mineweb/en/page674?oid=103575&sn=Detail&pid=102055>

Catalpa achieves first gold pour at Edna May

Thursday , 29 Apr 2010

Australian gold producer, Catalpa Resources Limited (ASX: CAH) is pleased to announce first gold production at its Edna May Gold Project in WA, within budget and two months ahead of schedule.

The first production gold was poured yesterday at the Edna May Gold Project processing plant near the Wheatbelt town of Westonia just nine months after Project approval, and firmly positions the Company as one of Australia's fastest-emerging mid-tier gold producers.

The gravity and carbon recovery circuits were commissioned last week, resulting in the first production gold pour of 414 ounces of dore. The dore is an alloy of gold, silver and other metals and is expected to refine to approximately 85% pure gold.

Managing Director, Bruce McFadzean said ramp-up to full production capacity of 2.8Mtpa is underway and will see Catalpa producing gold at a rate of more than 130 000 ounces per annum by July this year from Edna May and 30% Cracow.

"This is a significant milestone in Catalpa's history, and an achievement that all of our contractors and employees can take pride in. We delivered this milestone ahead of schedule, but more importantly, with zero lost time injuries throughout the construction and commissioning period. The safety of people is paramount at Catalpa, and will remain our highest priority," Mr McFadzean said.

"This occasion marks the fourth mining episode in Edna May's 100-year history, which fittingly, coincides with Westonia's Centenary celebrations in coming months."

"While the successful commissioning of the Edna May Gold Project firmly establishes Catalpa as a successful gold developer, our aim now is on reaching steady-state production in coming months."

"Following the successful \$20 million equity raising as announced on 22 April, Catalpa is well funded during the production ramp up phase and in a position where we can focus on company growth."



"The funds from the equity raising will also be used to expedite our ongoing exploration program at Edna May. We are very confident in the Project's exploration upside potential, and in particular, will be fast-tracking programs at the Greenfinch, Golden Point and Edna May Underground targets with a view to extending the Edna May life of mine beyond its current 9 years."

"With our exceptional forward-sold gold price of \$1557.50 for 352,316 ounces of Edna May's production, we expect to realise excellent cash operating margins to retire debt and fund Catalpa's future growth." Mr McFadzean said.

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PROACTIVE INVESTORS AUSTRALIA

<http://www.proactiveinvestors.com.au/companies/news/6784/catalpa-resources-pours-first-gold-at-edna-may-6784.html>

Thursday, April 29, 2010

Catalpa Resources pours first gold at Edna May

Catalpa Resources (ASX: CAH), an Australian gold producer, has reported first gold production at its Edna May Gold Project in WA, within budget and two months ahead of schedule.

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The dore is an alloy of gold, silver and other metals and is expected to refine to approximately 85% pure gold.

Managing Director, Bruce McFadzean said ramp-up to full production capacity of 2.8Mtpa is underway and will see Catalpa producing gold at a rate of more than 130 000 ounces per annum by July this year from Edna May and 30% Cracow.

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"We delivered this milestone ahead of schedule, but more importantly, with zero lost time injuries throughout the construction and commissioning period," McFadzean said.

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MINING NEWS PREMIUM

<http://www.miningnewspremium.net/StoryView.asp?StoryID=1135070>

Catalpa celebrates first gold pour

Thursday, 29 April 2010
Kristie Batten

CATALPA Resources has achieved the first gold pour at its \$A92 million Edna May gold project in Western Australia's Wheatbelt, two months ahead of schedule and within budget.

The pour was achieved just nine months after the project was approved.

The maiden gold pour comprised 414 ounces of dore, which is expected to refine to around 85% pure gold.



At full production, the Edna May open pit mine will deliver 100,000oz gold per annum. Ramp-up to full production capacity of 2.8 million tonnes per annum is underway and expected to be completed by July.

Edna May has a 100-year history and Catalpa's campaign will be the fourth mining stint at the project.

Catalpa has hedged 352,316oz at \$A1557.50 and the company expects to realise excellent cash operating margins to retire debt and fund future growth.

"While the successful commissioning of the Edna May Gold Project firmly establishes Catalpa as a successful gold developer, our aim now is on reaching steady-state production in coming months," Catalpa managing director Bruce McFadzean said.

"Following the successful \$20 million equity raising as announced on 22 April, Catalpa is well funded during the production ramp-up phase and in a position where we can focus on company growth."

The funds from the raising will also be used to advance the company's exploration program at Edna May.

"We are very confident in the project's exploration upside potential, and in particular, will be fast-tracking programs at the Greenfinch, Golden Point and Edna May Underground targets with a view to extending the Edna May life of mine beyond its current nine years," McFadzean said.

Catalpa recently finalised a merger with its major shareholder, Lion Selection, which saw it pick up a 30% interest in Newcrest Mining's Cracow gold mine in Queensland.

Production from both mines will be at a rate of 130,000ozpa from mid year.

Catalpa shares were 2c higher in early morning trade to \$1.60.

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RESOURCE INTELLIGENCE

<http://www.resourceintelligence.net/bruce-mcfadzean-a-man-with-the-golden-touch/8837>

[Resource News](#)

Bruce McFadzean, a man with the golden touch

By [resourceINTEL](#) · April 28, 2010 · 9:34 am ·

CATALPA Resources managing director Bruce McFadzean is a veteran in building mines, and he is applying his 30 years of expertise to expand the emerging gold miner into a mid-tier company.

Catalpa has grown from a \$15 million company in December 2008 to \$230m capitalisation today.

“We have grown out of the backblocks where no one knew we existed, and now people are starting to look at us and comment on what we have done,” said Mr McFadzean, who spent many years with some of the world’s largest miners.

“My first five years in the industry were at BHP and the next 10 were at Rio, so you learn some very good skills in those companies,” he said.

“You learn about self-auditing and testing and challenging yourself . It’s a good background for being the MD of a company that is out there assessing risk and trying to build shareholder wealth.”

Mr McFadzean has started six projects in his career, at different levels, and has also been called in to fix operations that weren’t meeting expectations.

He said Catalpa’s board and management agreed that production would expand to more than 200,000 ounces of gold a year in the short to medium term.

“We could have a third project coming online over the next few years,” he said.

The company would be looking for that third project, and had growth plans at the Edna May project in Western Australia and Cracow in Queensland.

It is not looking at anything specifically, as it has been completing a capital raising.

“Being an operator you will always get projects coming in the door,” Mr McFadzean said.

“We will always do a deal and are not scared to do a deal.”

Catalpa is not afraid to look abroad for future opportunities.

In the early 1990s, while working with Rio, Mr McFadzean helped start a mine in Borneo, an area considered high sovereign risk at the time.

“It was a wonderful project in the backblocks of Borneo,” he said. “We had to chopper in and out for it. It was a great project and made a lot of money for the company.”

Mr McFadzean said Africa now looked interesting, with some big projects on offer.

“You cannot rule things in or out until you’ve had a look at the project,” he said.

Mr McFadzean first looked at the emerging Catalpa in March 2008 when he examined its flagship Edna May operation, which he said was carrying “a bit of baggage” at the time.

“I went and did my own work on the project with a series of consultants and did my own modelling and saw something that most of the community had missed — that with the right processing throughput, and the right gold price, this project would make a bucket-load of money,” he said.

The company then set itself up to generate cash and raised \$40m in a difficult market during the financial crisis. It moved ahead with the \$92m project, which is set to start producing in June.

Catalpa also has a 30 per cent interest in the Cracow joint venture with Newcrest and has made it clear it wants to operate the mine.

“We haven’t had any discussions with Newcrest and don’t know whether they want to sell it, but they have before,” Mr McFadzean said. “At the moment it’s about getting Edna May operating and then perhaps having a conversation with those guys.”