Media Release / ASX Announcement

CATALPA RESOURCES

16 October 2008

CATALPA'S DRILLING GATHERS MOMENTUM

HIGHLIGHTS

- Assay results received for WDD145; the second drill hole from Catalpa's programme aimed at testing high grade underground targets at Edna May Gold Project
- Substantial intercept of Edna May Reef at depth
- Significant intercepts of Edna May Reef in hole WDD145 include:
  - 16.45m @ 5.5 g/t Au from 506.65m including
  - 5.05m @ 13.9 g/t Au from 506.65m, including
  - 1.47m @ 30.6 g/t Au from 510.23m
- 8 occurrences of visible gold reported in the three holes drilled following WDD145;
  - WDD146 - 412.30m, 452.64m and 452.88m
  - WDD147 - 464.60m and 465.15m
  - WDD148 - 352.87m, 402.90m and 437.27m

Catalpa Resources (**ASX:CAH**), Perth-based emerging gold producer, today reported further encouraging assay results from the second hole in the current drill programme, aimed at testing high grade arcuate reef structures at its wholly-owned Edna May Gold Project in Western Australia.

Bruce McFadzean, Catalpa Resources Managing Director confirmed that results from drill hole WDD145 includes a significant intercept of the Edna May Reef of 16.45m @ 5.5 g/t Au (from 506.65m),

"We are positive that the mounting geological evidence supports both our interpretation of the continuation of the Edna May Reef at depth; and our belief that Edna May is prospective for underground mining.

"We are making sound progress with the current drill programme, with two sets of encouraging results from the first two drill holes in recent weeks, both of which support the team's present understanding of the targets."

ASX Code: **CAH**

Total number of shares on issue:
345,377,313

Share Price Current:
(15 Oct 2008) $0.050

12 month range:
$0.075*(high)* - $0.038 *(low)*

Board of Directors

Mr John Rowe:	Non Exec Chairman
Mr Bruce McFadzean:	Managing Director
Mr Murray Pollock:	Non Exec Director
Mr Barry Sullivan:	Non Exec Director
Mr Chris Melloy:	Non Exec Director
Mr Nigel Johnson:	Non Exec Director
Mr Graham Anderson:	Company Secretary
Mr Leonard Math:	Company Secretary

Major Shareholders

Lion Selection Group Limited	44.04%
Goldrich Holdings	4.05%
Zero Nominees	2.57%
HSBC Custody Nominees Aus.	2.03%
Charlemagne Investments	1.35%
Drummond Shay Margaret	1.16%
Geddes Angus William	0.88%
ANZ Nominees Limited	0.78%
Pretorius Leon Eugene	0.58%

Drill hole WDD145 intercepted the Edna May Gneiss at a depth of some 450 metres below surface in a well-defined quartz-sulphide (pyrrhotite, pyrite) host lithology.

Mr McFadzean reiterated that the results will be subject to continued analysis, review and interpretation as the programme is progressed.

“Furthermore, the Australian gold price trading between AUD$1,100 and AUD$1,400 per ounce in recent days, supports the growing momentum of Catalpa’s Edna May Gold Project. A revised Feasibility Study in respect of the Edna May Gold Project is scheduled to be tabled to the Board in late October 2008,” Mr McFadzean said.

The table below, based on a 5 g/t Au cut off, lists the most significant assay data relating to drill hole WDD145

	WDD145			
	m	Au g/t	From (m)	To (m)
Edna May Reef	16.45	5.5	506.65	523.10
Including	5.05	13.9	506.65	511.70
Including	1.47	30.6	510.23	511.70
Edna May Gneiss	1.25	8.6	453.8	455.05
	1.34	7.7	476.4	477.74

ENDS

Competent Person Statement

The exploration data has been compiled according to the JORC Code for the reporting of Mineral Resources and Ore Reserves by Nick Winnall (Exploration Manager), a full-time employee of Catalpa Resources Limited. Mr. Winnall is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). Mr. Winnall consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.

ABOUT CATALPA RESOURCES

Perth-based **Catalpa Resources Limited** (ASX: CAH) aims to become Australia's next mid tier producer by developing its open pit assets, located on its extensive and wholly-owned mining tenements in Western Australia.

Catalpa is on the cusp of a new phase of development towards production at its Edna May (gold) Project, conveniently positioned a few kilometres from the infrastructure of Westonia, an established town with a long mining history. The project is just three hours or 300km by road from Perth; half way between Perth and Kalgoorlie and ideally situated to be serviced by both centres.

Notably, there have been three previous successful mining programs which have occurred both above and below the planned open pit at Edna May, which significantly reduces the risk of Catalpa's current project.

Catalpa has an experienced and innovative Board and management team that is committed to realising a timely production and cash flow profile from the development of the Edna May open pit resources.

This is the company's immediate strategy; and an update to the Company's 2006 Edna May Gold Project Feasibility Study is on schedule to be tabled to the Board in the December quarter 2008. In preparation for planned production at Edna May, the Company relocated its 2.8mtpa Big Bell mill to site in 2007. The mill is being maintained 'ready for construction' adjacent to the proposed plant construction site.

Catalpa is pursuing parallel growth with a renewed exploration programme underway of its 880km² of under-explored Westonia Greenstone Belt, and is reviewing other regional opportunities for acquisition and/or joint venture. In particular, Catalpa seeks to identify and develop new projects and/or acquisitions on its extensive land holding or within the region, which is prospective for gold, nickel and base metals.

Catalpa has a sound Resource base at Edna May with significant upside to grow resources and reserves and move towards production. With a buoyant outlook on the gold price, the Company's Board believes that Catalpa Resources presents a sound investment opportunity with significant upside potential.

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

For further enquiries contact:

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