CATALPA RESOURCES

Media Release / ASX Announcement

3 June 2010

EDNA MAY GOLD PROJECT COMMISIONING UPDATE AND SENIOR MANAGEMENT RESTRUCTURE

HIGHLIGHTS

- **Process plant and associated infrastructure has been successfully commissioned**
- **Annualised throughput rates at 2.5 Mtpa**
- **Full production to nameplate capacity of 2.8 Mtpa is on schedule to be achieved by July 31 2010**

Catalpa Resources Limited (ASX:CAH), the Perth-based gold producer, today announced the successful commissioning of the the Edna May Gold Project process plant and infrastructure. The 3 month ramp-up phase of the process plant commenced in May 2010. As at the end of May, plant production is ahead of the Bankable Feasibility Study (BFS) schedule in both tonnes processed and ounces recovered.

Bruce McFadzean, Managing Director said the following, "The process plant has commissioned reasonably well and we are now happy to communicate to the market we have reached steady state, predictable production. Albeit we are in the early stages of our ramp-up schedule, we have seen some very encouraging early indicators to gold recovery rates and residence time."

"During the performance testing of the plant in May 2010, the plant was ramped up to, and sustained annualised capacities close to 3 Mtpa indicating the process plant is capable of nameplate throughput."

"The commissioning phase met with typical issues associated with power, chute designs, materials handling, and other minor issues, many of which have either been resolved, or will be addressed in the ramp up period. The plant is now operating consistently and predictably allowing the operational team to focus on delivering the ramp-up target of 2.8 Mtpa by 31 July 2010."

"The early commissioning of the process plant has allowed us to bulk process and test remnant stockpiles from previous mining activities, which have had a positive grade reconciliation to-date."

"Following the completion of construction and commissioning, we are restructuring our senior management team to enable Catalpa to focus on both operations and future growth by modifying appointments to Stuart Pether and Adrian Pelliccia, the addition of John Winterbottom to the senior management team and the formalisation of John Fraser's role at Edna May."

ASX Code: **CAH**

Total number of shares on issue:
161,348,506

Share Price Current:
$1.465 (2 June 2010)

12 month range:
$1.87 *(high)* - $0.93*(low)*

Board of Directors

Mr Peter Maloney:	Non Exec Chairman
Mr Bruce McFadzean:	Managing Director
Mr John Rowe:	Non Exec Director
Mr Barry Sullivan:	Non Exec Director
Mr Graham Freestone:	Non Exec Director
Mr Murray Pollock:	Non Exec Director
Mr Graham Anderson:	Company Secretary
Mr Leonard Math:	Company Secretary

Senior Management

Erik Palmbachs	CFO
Stuart Pether	COO
Nick Winnall	Manager Exploration
Adrian Pelliccia	Manager Bus Dev
John Winterbottom	Manager Geology
John Fraser	General Manager – Edna May

Mr Stuart Pether has been appointed to the role of Chief Operating Officer (COO). Stuart has been primarily responsible for the successful construction and commissioning of the Edna May Gold Project which was completed ahead of schedule and within budget which is an excellent outcome for the business. Stuart will now be responsible for all operations within Catalpa.

Mr Adrian Pelliccia, formally Catalpa's Manager Geology has been appointed to Manager Business Development. Adrian will now apply his considerable experience to identify and evaluate external and internal growth opportunities to fulfil Catalpa's growth aspirations to be more than 250,000 ounce producer within the medium term.

Mr John Winterbottom has been appointed to fill the Manager Geology role vacated by Mr Pelliccia. John is a highly regarded and experienced Resource Geologist who will now be responsible for Edna May geology from production to resource development. John is responsible for and manage the underground target drilling campaign due to commence in the September 2010 quarter.

Mr John Fraser is appointed to the role of General Manager - Edna May following the successful commissioning of the Edna May Gold Project. John has been instrumental in the success of the commissioning phase of the project in addition to compiling a quality technical and operational team at Edna May.

The biographies of Messers Pether, Pelliccia, Winterbottom and Fraser are included below:

STUART PETHER, Chief Operations Officer

Mr Pether is an experienced Mining Engineer. Stuart holds a BEng (Mining) and has an impressive resume with over 20 years hands-on and technical experience in the resources sector. Mr Pether has worked in various operational, managerial, technical and corporate roles in Australia and Canada in his career covering several commodities predominately in gold, nickel and zinc. Mr Pether is equally skilled in both open pit and underground mining environments.

ADRIAN PELLICCIA, Manager Business Development

Mr Pelliccia holds a B.Sc. Hons (Geology), a Postgraduate Diploma in Applied Finance and Investment and is a Member of the Australasian Institute of Mining and Metallurgy. He has worked in various operational, technical and corporate roles in his career within the gold and nickel industries of Western Australia and Victoria. Mr Pelliccia is experienced in mineral resource and geological data evaluation in both underground and open pit environments.

JOHN WINTERBOTTOM, Manager - Geology

Mr Winterbottom holds a B.Sc. (Geology) as well as a Post Graduate qualification in Geostatistics. He is a member of the Australian Institute of Geoscientists. In his career of more than 20 years, Mr Winterbottom has worked in various roles, his most recent role being Senior Resource Geologist for Territory Resources Limited and Geological Superintendent for Minara Resources Limited. Mr Winterbottom is an experienced geological team manager, with specific expertise in ore resource estimation and geological data evaluation. He also brings considerable expertise in due diligence investigations, resource audits, the design of resource and grade control drill programs and various geological modelling software applications.

JOHN FRASER, General Manager – Edna May

Mr Fraser holds a BSc(Eng) in Metallurgy, Minerals Processing Option, and has over 25 years of processing experience covering in both operational and technical roles in Australia and Africa. This includes recent project management and commissioning experience with Xstrata in the northern Goldfields.

ENDS

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ABOUT CATALPA RESOURCES LIMITED

Catalpa Resources Limited (ASX: CAH) has two exciting gold assets; a 30% interest in the 100,000 ounce per annum Cracow Gold Project - a producing gold mine in Queensland (70% Newcrest Mining Limited); and the 100,000 ounce per annum Edna May Gold Project in Western Australia (100%) – an operating mine currently ramping up to full production.

The A$92 million Edna May Gold Project is fully funded, and, as part of the finance facility, Catalpa has sold forward 352,316 ounces of gold at A$1,557.50 per ounce. At an average gold price of A$1,400 per ounce Catalpa will realize an average cash operating margin of A$72 million per annum from the Edna May Gold Project alone.

With a combined Mineral Resource of more than 1.9 million ounces and a combined Ore Reserve of more than 1.0 million ounces of gold (refer announcement dated 27th May 2010), the Cracow and Edna May will provide a sustainable cash flow to fund Catalpa's growth strategy.

Catalpa is confident that both Cracow and Edna May offer further Reserve and Resource growth potential, with ongoing exploration programs at both operations. In parallel, the Company continues to proactively identify and assess other production growth opportunities.

The Company has a committed and technically accomplished management team and a highly experienced and supportive Board, committed to realising shareholder value from the Company's growing asset portfolio.

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

EDNA MAY OPERATIONS (100%)

Catalpa's wholly-owned Edna May Gold Project is conveniently positioned just two kilometers from the infrastructure of Westonia, on the eastern edge of WA's Wheatbelt region. The mine is half way between Perth and Kalgoorlie and ideally situated to be serviced by either of these major mining centres.

With its robust economics, geologically and metallurgically well defined ore-body, high Ore Reserve confidence and excellent recovery rate of more than 92%, Catalpa's Edna May Gold Project offers an attractive, long-term platform to grow a mid tier gold producer.

Catalpa's mine and processing schedule demonstrate average gold production at Edna May in excess of 100,000 ounces of gold recovered per annum for a life of mine of more than nine years, with first gold production achieved in April 2010.

CRACOW GOLD OPERATIONS (30%)

Catalpa owns 30% of the Cracow Gold Project in Queensland with Newcrest Mining Limited, and also has a pre-emptive right over Newcrest's 70% stake in the asset. The Cracow Gold Project is well managed and operated by Newcrest, allowing Catalpa to remain focused on the Edna May Gold Project.

The Cracow Gold Project has a history of steady gold production of over 100,000 ounces per annum for the past four years and it is considered to have considerable exploration upside.