

PROPOSED RESTRUCTURE COURT SETS TIMETABLE

Today the Supreme Court of Victoria made an order convening a meeting of Lion Selection Limited (LST) shareholders to consider the merger of LST with Catalpa Resources Limited (Catalpa). The timetable for the restructure is:

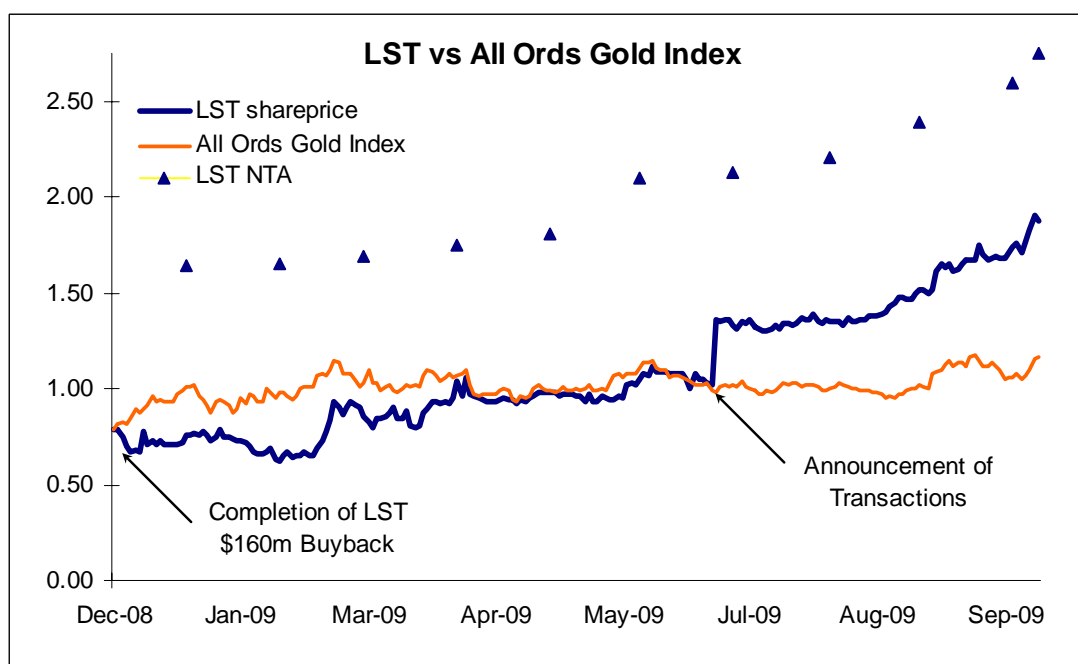
TIMETABLE

Scheme Booklet dispatched to shareholders	16 October 2009
LST General and Scheme Meetings	17 November 2009
Anticipated Second Court Hearing date (subject to LST shareholder approval of the merger)	27 November 2009
Completion of demerger of LSG, payment of cash distribution and the merger with Catalpa	Early December 2009

LST and Catalpa have amended the End Date of the Merger Implementation Agreement from 30 November 2009 to 18 December 2009.

Background

LST's restructure is intended to unlock value for shareholders which has been hidden in a substantial share price discount to NTA.

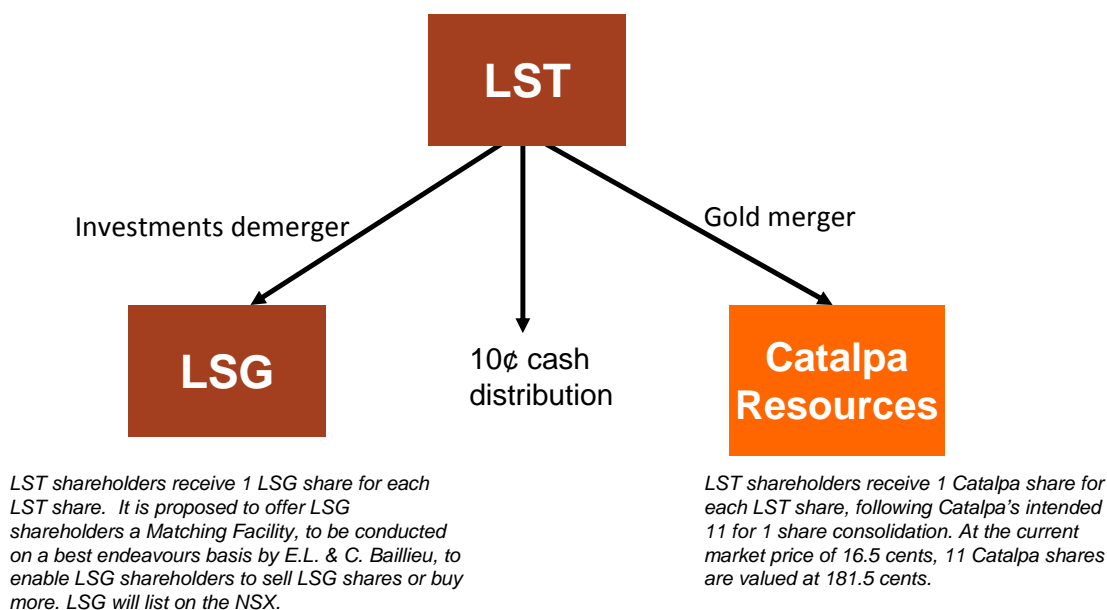


The majority of LST's NTA is contained in two gold assets, 30% of Cracow Gold Mine and 47% holding in Catalpa. These are being merged with Catalpa so that each LST shareholder will receive 1 Catalpa share for each LST share they own, on the basis that Catalpa undertakes an 11 for 1 share consolidation prior to the merger. At the current market price of 16.5 cents, 11 Catalpa shares are valued at 181.5 cents. This is the key driver to unlock value.

In addition, LST's non-gold assets will be retained within LSG and LST shareholders will receive 1 LSG share for each LST share held. The NTA of the non-gold assets is currently approximately 71 cents per share.

As a condition of Catalpa prior to the merger, the Lion Manager is being terminated and the non-gold assets will be separated or demerged into LSG.

A payment of 10 cents per LST share will be made to all shareholders of LST if the demerger proceeds.



Four resolutions will be put to shareholder vote on 17 November at the LST General and Scheme Meetings:

- 1 Lion Manager share issue for termination.
- 2 Demerger of LSG.
- 3 Cash distribution of 10 cents per share.
- 4 Merger of LST's gold assets with Catalpa.

Full details of these resolutions will be included in the Scheme Booklet to be dispatched to shareholders on 16 October 2009.

The broader market has responded extremely positively to news of the merger. Since announcing the Merger Implementation Agreement, shares in LST have risen by more than 80% and Catalpa by almost 90%. The implied market support for the merger is very encouraging and reflects the opinion of both Catalpa's and LST's directors, who have indicated their unanimous intention of voting their respective shares in favour of the merger, in the absence of a superior competing proposal.

The LST General Meeting and Scheme Meeting will be held at 10.00am and 10.15am respectively at the Rendezvous Hotel, 328 Flinders Street, Melbourne.

Further enquiries:
 Jane Rose
 Investor Relations Manager
 Lion Selection Limited
 e : jrose@lsg.com.au
 t: +61 3 9614 8008