

## Information Sheet No. 6

This Information Sheet is the sixth in a series designed to keep you up to date with developments in Catalina Resources PLC, appraise you of results achieved and inform you of our plans for future work. This will also be added to the Catalina web site [www.catalinaresourcesplc.co.uk](http://www.catalinaresourcesplc.co.uk) in the near future.

### Progress at individual Projects:

#### 1. **Blanca de Huequi:** Reported Platinum Group Metals and gold.

In Information Sheet No 5, I advised that samples from the pitting carried out in May had confirmed the presence of gold and chromium at Huequi but no platinum mineralisation was reported from the samples analysed. Two lines of investigation remained; a check on the assaying methods used and a re-sampling of the original pitting sites which had been inaccessible in May.

Selected samples were re-assayed using neutron activation analyses (NAA) - a highly sensitive analytical technique - to determine not only if there had been a problem using the standard assaying methods for platinum but also whether another Platinum Group Metals (PGM) had been mistaken for platinum in the 1931 assays. The results from the NAA did not return any PGM values.

A second pitting programme was undertaken. Five pits immediately adjacent to selected 1931 pits with reported medium to high platinum values were dug by hand. Samples were panned on site to produce a heavy metal concentrate which was sent to the laboratories of ALS – Chemex in Canada for analysis.

Again, traces of gold and chromium were detected but no PGM values were reported.

It now seems clear that the original 1931 report was in error and that although a rock sample from the mafic intrusive, which had been sent to Johnson Matthey in the UK for analysis, may have reported highly anomalous PGM values, the material from the alluvial sediments, reported as platinum, was probably chromite.

The levels of chromite and gold in the alluvial sediments are too low to be economic and it is with regret that the decision has been taken to relinquish this project.

#### 2. **La Falda:** Gold in the Andean Cordillera.

The La Falda porphyry gold prospect lies in the northern part of the Maricunga district, Chile, north of the Refugio, Marte, Lobo and La Pepa porphyry gold deposits. La Falda is centred on several porphyry intrusions, distributed over 3 km in a north-south direction.

A recent mapping and sampling programme by Catalina, completed in January and February 2008, located further areas underlain by porphyry intrusions (Norte and Central) with banded quartz veining. Grab samples of banded vein material has returned values in the range 0.5 – 0.8 g/t gold

The banded quartz veins at La Falda (see Fig. 1 below) are very similar to those at nearby mines in the Maricunga Belt and veins of this type are the principal exploration target in these deposits. Both the Central and Norte porphyry bodies host the typical banded quartz veins.



Figure 1 – Banded quartz veins at La Falda - very similar in appearance and occurrence to those in the Verde mine at Refugio

Field observations suggest that the banded quartz veins occur very close to the tops of the original porphyry intrusions. Such styles of mineralisation elsewhere in the Maricunga District have been proven to vertical depths of over 300 m.

The Refugio mine, where the regional geology, the mineralising veins and the host porphyritic rocks share many similarities with those at La Falda, currently hosts reserves in excess of 5 million ounces of gold and produces approximately 250,000 oz annually. The average grade of the Refugio resource is approximately 0.7 g/t gold.

As a result of the latest fieldwork, La Falda has taken on a completely new – and positive – perspective. The new focus to exploration must be centred on the Maricunga-style porphyries instead of the former epithermal targets which will be examined in due course.



Figure 3. View southwest of the Falda Norte lithocap on the left on-lapping Central Porphyry on the right. Porphyry Norte is the greenish coloured hill in the middle distance.

The conclusions above, which have been reached in cooperation with and following a field visit by Dr Jeffrey Hedenquist (a world-renowned expert on porphyry and epithermal gold deposits), mean that Catalina has reached a stage where it is necessary to re-focus on our objectives.

The next stages of work are to expand the current mapping and sampling programmes, complete a series of geochemical and geophysical surveys, improve access and logistics and extend exploration in depth.

We shall seek a partner or funding to test with diamond drilling the orientation of the intrusions, the various structures, and the banded quartz vein zones. This initial drilling will be to 150 m extending later to at least 300 to 350 m depth in the Porphyry Central and Norte areas. It will be based on the occurrences of banded quartz veins with the objective of determining whether or not there are economic grades and extensive veining at this shallow depth.

The recent fieldwork was combined with a site visit by several companies which have expressed possible interest in forming a joint venture on the Falda Project. Discussions are in progress.

### **3. La Perla:** high-level copper, silver and gold in an epithermal environment.

No fieldwork has been undertaken since the last Information Sheet. However, a local mining company has recently opened an adit into the Perla shear zone where it crosses over into an adjacent concession. The adit was driven 200 m north along the zone until it intersected a skarn deposit developed where the shear zone has intersected a carbonate horizon. Analytical data on the mineralisation are not available.





Figure 2 – Recent mine working on the Perla shear zone

Geological mapping has indicated that the shear zone dips to the east, enters ground controlled by Catalina and that the shear zone in this area will be unaffected by the carbonate horizon.

The next phase of Catalina's exploration would incorporate diamond drilling to provide better samples on which to study the geology and structure of this mineralisation and the remainder of the shear zone.

#### **4. Kahuna: copper, cobalt and gold in the Coastal Ranges**

No fieldwork has been completed recently at Kahuna. A series of maps which will be used in future exploration were compiled from the data assembled earlier.

#### **5. Corporate Matters**

The recent share issue in which the Board resolved to offer 66,000 new ordinary shares of £3.00 each (now fully-paid), pro rata to shareholders, raised £198,000 for the purposes of maintaining option payments on mineral properties and continuing exploration on selected mineral properties. The Issue was underwritten by Phipps & Company Limited for a fee of 2% - paid in fully-paid shares (1,320) of the Company. The 2007 Report and Accounts, and new share certificates representing your entire holding of shares in the Company, will be despatched shortly.

It was also intended that the process of admission of the Company's shares to the Alternative Investment Market would start as soon as possible. Recent developments in the Market have not created the most favourable conditions for a flotation and alternatives are being sought.

As before, this information sheet is a brief summary. If you want to know more about a particular topic or have any questions, please give me a call or send me an email at [psb@catalinaresourcesplc.co.uk](mailto:psb@catalinaresourcesplc.co.uk).

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