



ASX/MEDIA RELEASE

16 March 2007

RECORD INTERIM DIVIDEND & INAUGUARL SPECIAL DIVIDEND

Katana Capital Limited (ASX: KAT) (“Katana Capital”) the board of directors are pleased to announce that it has resolved to declare a record 2 cent interim dividend and an inaugural 2 cent special dividend. The increase in dividends reflects the strong investment performance for the fund over the preceding half year end to 31 December 2006.

Shareholders of Katana Capital owning fully paid ordinary shares will be entitled to an interim dividend of 2 cents per ordinary share and a special dividend of 2 cents per ordinary share. For the purposes of the dividend the record date is 27th April 2007, the “ex-dividend” date in accordance with the ASX timetable noted in Appendix 6A will be Friday 20th April 2007. The dividend will be franked to the extent allowable pursuant to Katana’s franking allowance. The dividend is scheduled to be mailed to shareholders during the week beginning 11 May 2007.

Optionholders who exercise their listed options and are issued fully paid ordinary shares prior to the record date of 27 April 2007 will be entitled to the interim and special dividend. Optionholders wishing to participate in the dividend are encouraged to have their options exercised well in advance of the record date.

For more information about Katana Capital Limited, please contact:

Dalton Gooding
Chairman - Katana Capital Ltd
+61 8 9327 1777

Romano Sala Tenna
Investment Manager – Classic Capital Pty Ltd
+61 8 9326 7630

Or visit: www.katanacapital.com.au