ABN 54 118 912 495

NOTICE OF ANNUAL GENERAL MEETING
&
EXPLANATORY MEMORANDUM TO SHAREHOLDERS

For the Annual General Meeting to be held on
28 November 2008 at 11.00 am (WDT) at
The City West Function Centre, The Sutherland Room, 45 Plaistow Mews,
West Perth, Western Australia, 6005

These documents should be read in their entirety. If Shareholders are in any doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional advisor.

NOTICE OF ANNUAL GENERAL MEETING

CATALYST METALS LIMITED
ABN 54 118 912 495

TIME AND PLACE OF MEETING

Notice is hereby given that the Annual General Meeting of the members of Catalyst Metals Limited (**Catalyst** or the **Company**) will be held at City West Function Centre, 45 Plaistow Mews, West Perth, Western Australia on Friday, 28 November 2008 at 11:00 am (WDT).

EXPLANATORY MEMORANDUM

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Meeting.

HOW TO VOTE

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form **enclosed** and either:

(a) send the proxy form by post to Catalyst Metals Ltd, Ground Floor, 22 Oxford Close, West Leederville, Western Australia 6007; or

(b) send the proxy form by facsimile to the Company on facsimile number (08) 9381 5911, so that it is received not later than 11.00 am WDT on Wednesday, 26 November 2008.

Proxy forms received later than this time will be invalid.

Please note that:

(a) each Shareholder has a right to appoint one proxy, and if the Shareholder may cast two or more votes, the Shareholder may appoint two proxies;
(b) a proxy need not be a Shareholder of the Company; and
(c) if a Shareholder appoints two proxies, the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise.

In accordance with the Company's Constitution, Shareholders are further advised that:

(a) if the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the Shareholder's votes; and
(b) if a Shareholder appoints two proxies, only one may vote on a show of hands.

The instrument appointing the proxy must be signed by the Shareholder, or by the Shareholder's attorney who is authorised to sign the instrument under a power of attorney.

If a Shareholder is a company it must sign the instrument in accordance with section 127 of the Corporations Act.

A proxy is not entitled to vote unless the instrument appointing the proxy, and the authority under which the instrument is signed or a certified copy of the authority, is either deposited at the registered office of the Company or sent by facsimile to that office, and in each case to be received not less than 48 hours prior to the time of the General Meeting (being not later than 11:00 am WDT time on 26 November 2008).

The **enclosed** proxy form provides further details on appointing proxies and lodging proxy forms.

VOTING ELIGIBILITY

For the purposes of Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) , the Directors have determined that Shares held at 11.00am WDT on 26 November 2008 will be taken, for the purposes of determining voting entitlements at the Annual General Meeting, to be held by the persons who held that at that time.

AGENDA

ORDINARY BUSINESS

Reports and Accounts

To receive the financial report of the Company for the year ended 30 June 2008, together with the Directors' report and the auditor's report.

Resolution 1 – Adoption of Remuneration Report (Non-binding)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report."*

Short Explanation: The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Resolution 2 – Re-election of Mr Nathan McMahon

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, Mr Nathan McMahon, being a Director, retires by rotation in accordance with clause 11.3 of the Constitution and, being eligible for re-election, is hereby re-elected as a Director."*

Resolution 3 – Ratification of Grant of Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

> *""That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders hereby ratify the allotment and issue by the Company of 210,637 Ordinary Shares to the persons, on the date and on the terms and conditions set out in the Explanatory Memorandum that accompanies this Notice of Annual General Meeting"*

Voting Exclusion: For the purposes of ASX Listing Rule 7.4, the Company will disregard any votes cast on the resolution by any person who participated in the issue and by any associate of a person who participated in the issue. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By Order of the Board
Bryan Dixon
Non-Executive Director
Catalyst Metals Limited
Date: 27 October 2008

CATALYST METALS LIMITED
ABN 54 118 912 495

EXPLANATORY MEMORANDUM TO SHAREHOLDERS

This Explanatory Memorandum has been prepared to assist Shareholders in understanding the business to be put to Shareholders for their consideration at the forthcoming Annual General Meeting of the Company.

The Directors recommend that you read this Explanatory Memorandum and attend the Annual General Meeting.

This Explanatory Memorandum has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at the City West Function Centre, 45 Plaistow Mews, West Perth, Western Australia at 11.00 am WDT on Friday, 28 November 2008.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting. The purpose of this Explanatory Memorandum is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the resolutions in the Notice of Meeting (of which this Explanatory Memorandum forms a part).

1. ACCOUNTS AND REPORTS

As required under section 317 of the Corporations Act, the 2008 Annual Report will be laid before the Annual General Meeting.

Shareholders will be given the opportunity to ask questions and make comments about the reports or the Company generally, but there will be no formal resolution submitted to the Meeting.

2. RESOLUTION 1 – REMUNERATION REPORT (NON-BINDING RESOLUTION)

In accordance with Section 250R(2) of the Corporations Act, the Company must put a resolution that the Remuneration Report be adopted to vote at the Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

The Remuneration Report includes all of the information required by Section 300A of the Corporations Act, including:

(a) board policy for determining, or in relation to, the nature and amount (or value, as appropriate) of remuneration of Directors, secretaries and senior managers of the Company;

(b) discussion of the relationship between such policy and the Company's performance; and

(c) the prescribed details in relation to the remuneration of each Director and certain executives.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Directors' Recommendation

The Directors recommend that Shareholders adopt the Remuneration Report.

3. RESOLUTION 2 – RE-ELECTION OF MR NATHAN MCMAHON

Clause 11.3 of the Constitution provides that, at the annual general meeting in every year one-third of the Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest one-third, and any other Director not in such one-third who has held office for 3 years or more (except the Managing Director), must retire from office. A retiring Director is eligible for re-election. The Directors to retire at any annual general meeting must be those who have been longest in office since their last election but, as between persons who became Directors on the same day, those to retire must (unless they otherwise agree among themselves) be determined by lot. A Director appointed to either fill a casual vacancy or as an addition to the existing Directors is not to be taken into account in determining the Directors who are to retire by rotation at the annual general meeting.

Mr Nathan McMahon retires and seeks re-election in accordance with clause 11.3 of the Constitution. Details regarding Mr Nathan McMahon are set out in the 2008 Annual Report.

Directors' Recommendation

The Directors recommend the re-election of Mr Nathan McMahon.

4. RESOLUTION 3 – RATIFICATION OF GRANT OF SHARES

On 18 February 2008, the Company announced it had entered into an agreement ("Agreement") with Bruce Myles ("Vendor") for the right to farm in to up to 90% of the Everton Molybdenum Project ("the Project"). In consideration for the right to farm in to the Everton project, the Company paid $20,000 and issued 210,637 shares to the Vendors on 22 February 2008.

Resolution 3 has been included so Shareholders may approve and ratify pursuant to ASX Listing Rule 7.4 the issue of these shares. This is to limit the restrictive effect of ASX Listing Rule 7.1 on any further issues of equity securities in the next 12 months and restore the Company's ability to issue equity securities within the 15% annual limit under that ASX Listing Rule, to the extent of the 210,637 Ordinary Shares.

Background of the Project
The Project area of 127km2 includes the Everton Molybdenite Mine, one of the most significant historic producers in Australia. The Everton Molybdenite Mine treated approximately 21,000 tons ore at an average grade 1.40% MoS_2 (8392ppm Mo or 0.84% Mo). Research of historic mine records show that the annular-shaped ore zones were expanding in size with depth.

In recent times the site has been developed as a rock quarry that now provides excellent exposure of the prospective geology. This has revealed Molybdenite to be widespread in nature on pit walls and benches in vein, fracture and disseminated forms.

Competent Persons Statement
The information in this report that relates to Exploration Results is based on information compiled by independent consultant Mr.Julian Bartlett, B.Sc (Hons) Geol. M.Sc.(Econ.Geol.), RP.Geo, who has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity to which he is undertaking, and consents to the inclusion in the public release of the matters based on their information in the form and context in which it appears.

Terms of the Agreement
Catalyst can elect to spend $250,000 over 2 years, including a minimum of 750m drilling, to acquire a 51% interest in the Project. Catalyst can earn a further 39% of the Project by spending an additional $500,000 within the following 2 years plus $40,000 cash and $40,000 worth of shares to acquire an interest of 90%. The vendors' 10% interest will be free-carried until a decision to mine, after which the vendor is required to contribute or be diluted.

ASX Listing Rule Requirements
ASX Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of equity securities if the equity securities will, when aggregated with the equity securities issued by a company during the previous 12 months, exceed 15% of the number of ordinary shares on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 provides that an issue by a company of equity securities made without approval under ASX Listing Rule 7.1 is treated as having been made with approval for the purpose of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 and the company's shareholders subsequently approve it.

The outcome of Resolution 1 will have no effect on the issue of Ordinary Shares pursuant to the Vendor Issuance as they have already been issued. However, if Resolution 1 is not approved by Shareholders, it will restrict the ability of the Company to issue further equity securities without Shareholder approval until the Company's 15% capacity is replenished, in accordance with ASX Listing Rule 7.1.

ASX Listing Rule Disclosure Requirements
In accordance with ASX Listing Rule 7.5, Shareholders are advised of the following details in respect of the Haywood Issuance:

(a) Number of securities allotted

210,637 Ordinary Shares.

(b) Price at which the securities were issued

Deemed price of $0.1187 per Ordinary Share.

(c) Terms of the securities

The 210,638 Ordinary Shares issued are fully paid ordinary shares ranking equally in all respects with all other Ordinary Shares in the Company on issue and are listed on the Australian Securities Exchange ("ASX"),.

(d) Names of the allottees or the basis on which allottees were determined

The Ordinary Shares were issued to Bruce Myles.

(e) Use (or intended use) of the funds raised

The allotment and issue of the Ordinary Shares did not raise any funds. However, the issue represented part consideration for the right to farm in to up to 90% of the Everton Molybdenum Project.

Directors' Recommendation
The Board believes that the proposed resolution is beneficial for the Company.
The Board recommends Shareholders vote in favour of Resolution 3 as it allows the Company greater flexibility to issue further securities.

ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on each Resolution.

Attached to the Notice of Meeting is a proxy form for use by Shareholders. Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, to complete, sign and return the proxy form to the Company in accordance with the instructions contained in the proxy form and the Notice of Meeting. Lodgement of a proxy form will not preclude a Shareholder from attending and voting at the Meeting in person.

ENQUIRIES

Shareholders can contact the Company Secretary on (61 8) 9381 4360 if they have any queries in respect of the matters set out in these documents.

DEFINITIONS

Throughout the Notice of Meeting and Explanatory Memorandum, the following definitions are used:

2008 Annual Report means the Company's report including the reports of the Directors and auditor of the Company and the financial statements of the Company for the year ended 30 June 2008;

ASX means ASX Limited ACN 008 624 691;

Board means the board of directors of the Company;

Company or **Catalyst** means Catalyst Metals Limited ABN 54 118 912 495;

Constitution means the constitution of the Company;

Corporations Act means the Corporations Act 2001 (Cth);

Director means a director of the Company;

Listing Rules means the official listing rules of ASX as amended from time to time;

Meeting or **Annual General Meeting** means the 2008 annual general meeting of Shareholders to be held on 28 November 2008;

Notice of Meeting the notice convening the Annual General Meeting, which accompanies this Explanatory Memorandum;

Remuneration Report means the remuneration report appearing in the 2008 Annual Report;

Resolutions means the resolutions in the Notice of Meeting;

Shareholder means a holder of Shares;

Shares means fully paid ordinary shares in the capital of the Company; and

WDT means Australian Western Daylight Time..

The Company Secretary
Catalyst Metals Limited
PO Box 390
West Perth WA 6872
Facsimile: 61 8 9381 5911

PROXY FORM

CATALYST METALS LIMITED
ABN 54 118 912 495

ANNUAL GENERAL MEETING

Appointment of Proxy

I/We

Of

being a member of Catalyst Metals Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting to be held at the City West Function Centre, 45 Plaistow Mews, West Perth, Western Australia on Friday, 28 November 2008 at 11.00 am (WDT) and at any adjournment thereof. If no directions are given, the Chairman of the Meeting will vote in favour of each resolution.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of Remuneration Report (Non-binding)	☐	☐	☐
Resolution 2 – Re-election of Mr Nathan McMahon	☐	☐	☐
Resolution 3 – Ratification of Grant of Shares	☐	☐	☐

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _______%

Signed this **day of** **2008**
By:

Individuals and joint holders	**Companies (affix common seal if appropriate)**
Signature	Director
Signature	Director/Company Secretary
Signature	Sole Director and Sole Company Secretary

CATALYST METALS LIMITED
ABN 54 118 912 495

Instructions for Completing Proxy Form

1. A member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.

2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.

3. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

   - directors of the company;
   - a director and a company secretary of the company; or
   - for a proprietary company that has a sole director who is also the sole company secretary – that director.

   For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting

5. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

6. To vote by proxy, please complete, sign and return the proxy form by hand to the Principal Office of the Company or by post to The Company Secretary, Catalyst Metals Limited, PO Box 390, West Perth, Western Australia 6872 or by facsimile on facsimile number (61 8) 9381 5911.

   A proxy form must be received by the Company by no later than 11.00 am (WDT) on 26 November 2008.

   Proxy forms received later than this time will be invalid.