



ASX ANNOUNCEMENT

11 April 2013

DRILLING TO COMMENCE AT FOUR EAGLES GOLD PROJECT

- **Aircore Drilling will resume next week at the Four Eagles Gold Project in Victoria.**
- **Drilling will focus on a 3 kilometre long section of Eagle 3 Trend where basement depth is 20 to 50 metres.**
- **Previous shallow intersections in 1-3g/t Au range show potential for open pit mineralisation.**
- **Catalyst close to earning 50% equity in Four Eagles Gold Project via a recently modified Joint Venture agreement.**

Catalyst Metals Limited (**Catalyst** or the **Company**) (**ASX: CYL**) is pleased to announce that aircore drilling will resume next week at its Four Eagles Gold Project, 70 kilometres north of Bendigo in Victoria (Figure 1), where high grade gold mineralisation has been discovered in shallow drilling during 2011 and 2012, eg:

- **0.4m @ 152.0g/t Au (FEDD008)**
- **6.0m @ 82.7g/t Au (FE328)**
- **1.0m @ 18.3g/t Au (FERC002)**
- **3.0m @ 36.6g/t Au (FE415)**
- **0.8m @ 17.5g/t Au (FEDD001)**
- **3.0m @ 20.5g/t Au (FE592)**
- **3.0m @ 9.1g/t Au (FE608)**
- **0.8m @ 15.3g/t Au (FEDD007)**

The 2013 drilling programme was delayed by the Company in order to finalise changes to the joint venture with Providence Gold and Minerals Pty Ltd (**Providence**). These changes were particularly important to both parties as Catalyst is very close to earning its 50% equity in the project by spending \$2.1 million on exploration. At the end of March 2013, expenditure totalled \$2.058 million.

When Catalyst has earned its 50% equity, a formal joint venture will be formed between the companies and Catalyst will now have the right to earn towards 75% equity by spending a further \$2.1 million on exploration, subject to a right by Providence to contribute at the 60:40 equity level.

Previously, Catalyst was to issue 2,500,000 shares to Providence at the commencement of Phase 3 but this has now been altered by mutual agreement such that payments of shares and cash will be conditional on future events namely equity levels by Catalyst of 60%, 70% and 75% in the Four Eagles Gold Project and the feasibility of the first project. An initial payment of \$30,000 and the issue of 250,000 shares in Catalyst will be made within 60 days of the Company attaining the 50% equity level.

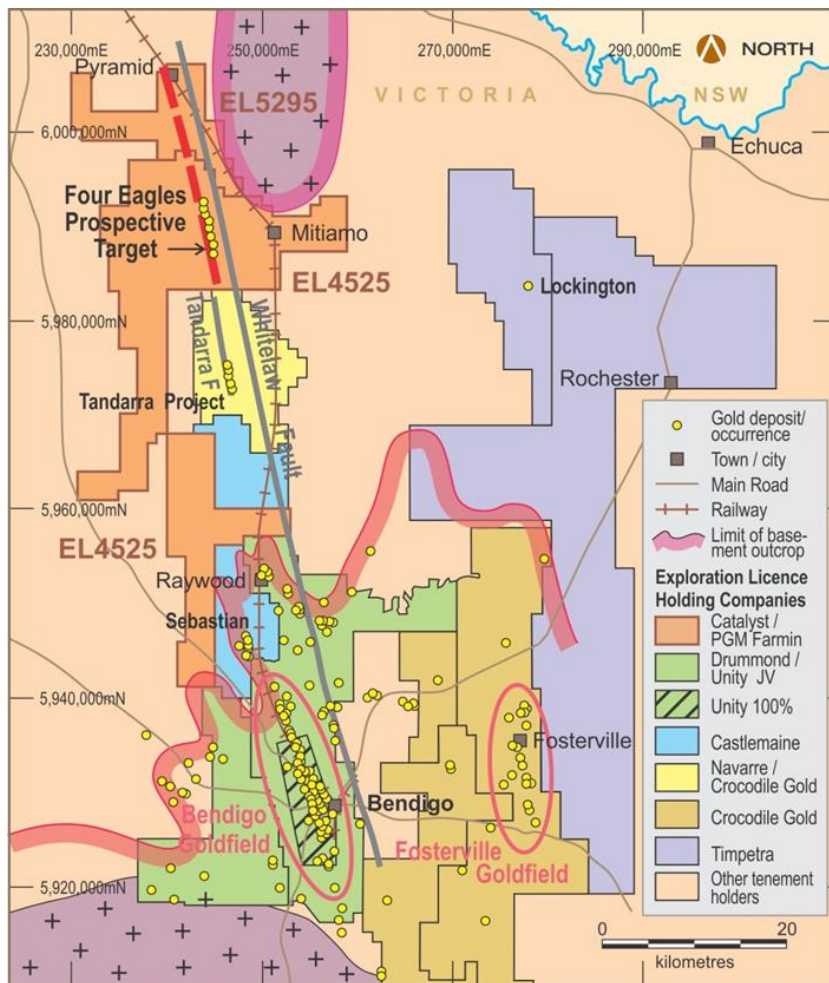


Figure 1: Four Eagles Gold Project Location Map

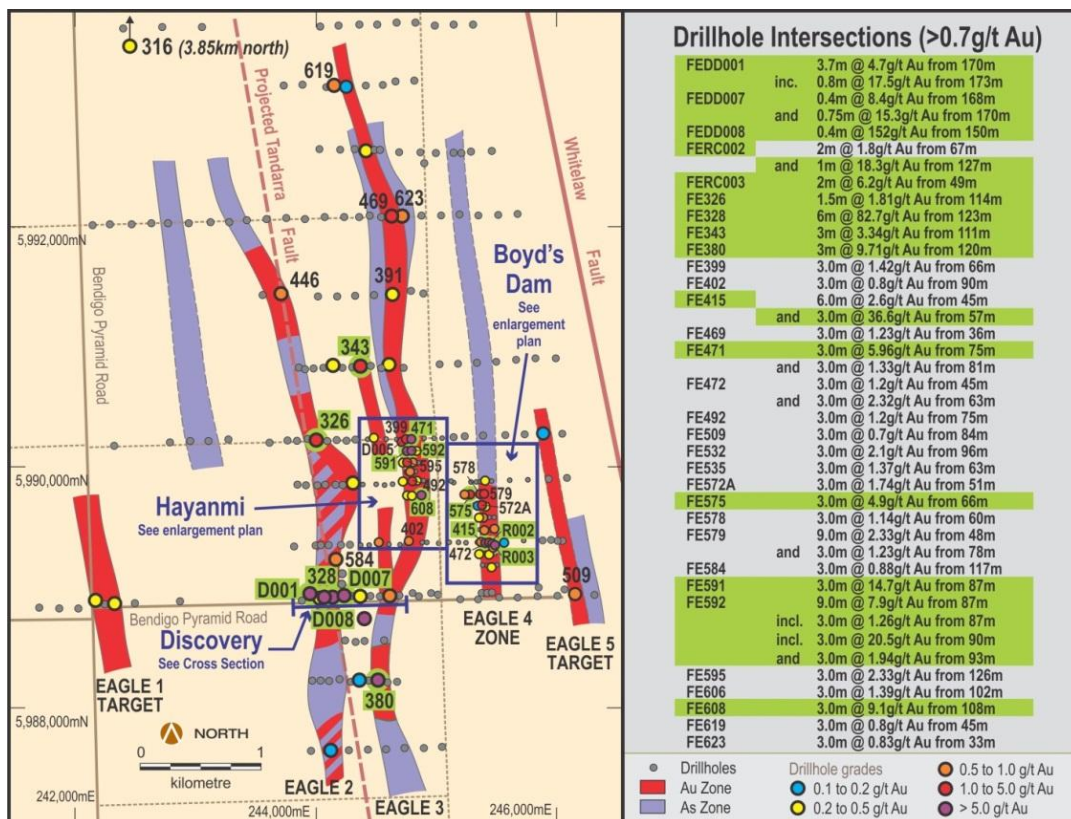


Figure 2: Plan Showing Gold Trends and Drillhole Assays

The Four Eagles Gold Project made major advances during 2012 and is now confirmed as a virgin gold discovery in an area never previously mined or explored. The Company's longer term objective of discovering a +1 million ounce resource at Four Eagles is supported by the following factors (Figure 2):

- The large area at Four Eagles (3 structures up to 6kms long) that contains high grade gold values;
- The close proximity of Four Eagles to the regional Whitelaw Fault that appears to control gold mineralisation at Bendigo (22 million ounces of gold produced), 70 kilometres to the south;
- Infill drilling at Hayanmi and Boyd's Dam prospects has produced enhanced gold grades over strike lengths of at least 600 metres; and
- Large areas where basement depth is less than 50 metres, providing potential for shallow mineralisation that can be exploited.

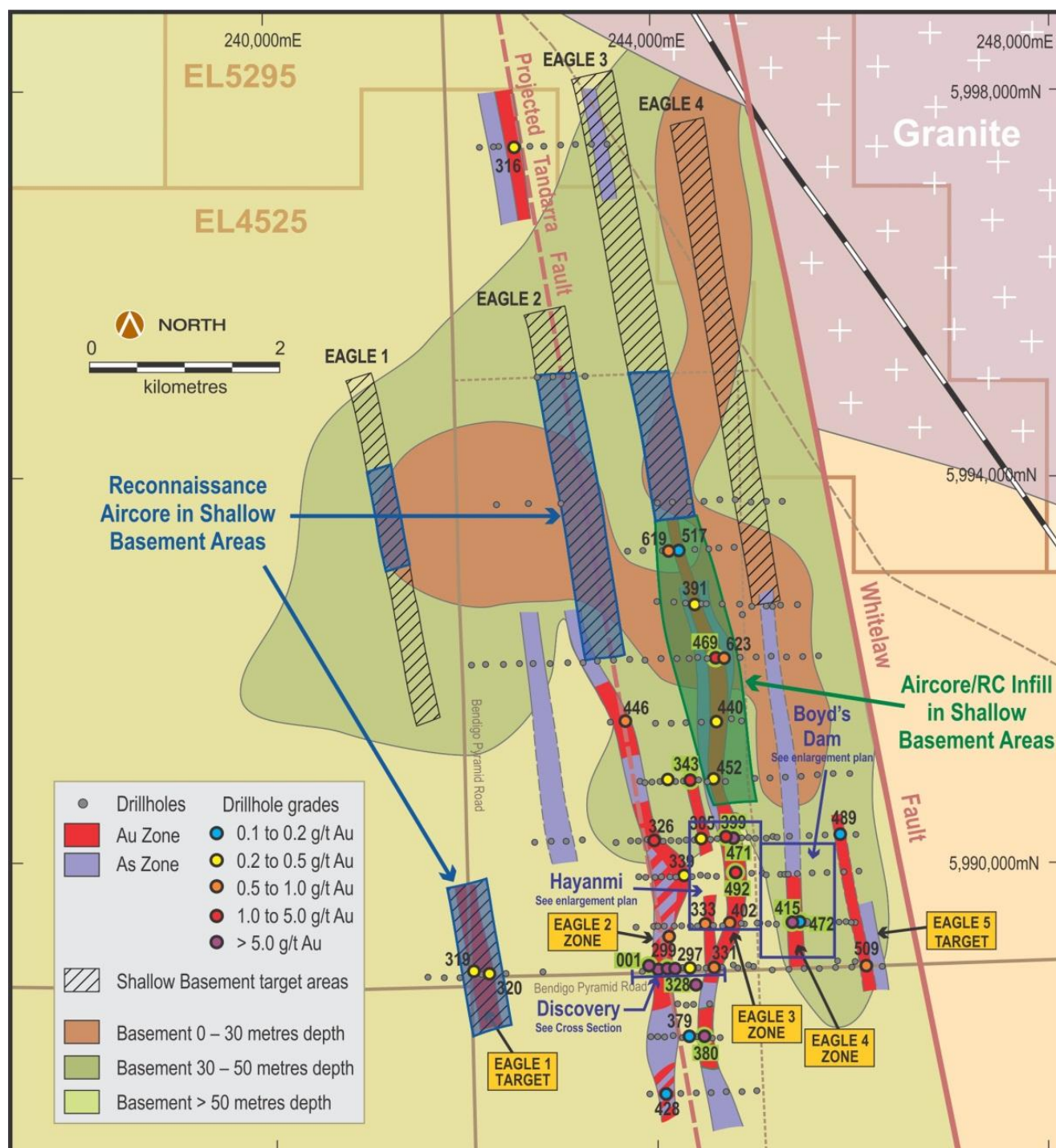


Figure 3: Plan Showing Proposed Drilling 2013

The initial aircore drilling programme will be undertaken on the northern end of the Eagle 3 trend and will be conducted on a 200 metre line spacing with angled holes drilled on each line about 40 metres apart. As shown by the green block on Figure 3, drilling will be carried out over a strike length of almost 3 kilometres with basement depths estimated to be in the 20-50 metre range.

Continuous high grade gold mineralisation at this shallow depth will be amenable to mining by open pit methods. Figure 3 also shows the proposed reconnaissance drilling programme (in blue) although this may have to be modified because of the late start to the drilling programme.

The Company believes that 2013 will be an exciting year as it focuses on finding shallow gold at Four Eagles that could be mined by open pit methods. Additionally, the Company will continue to pursue the longer term objective of the discovery of a +1 million ounce gold resource.

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Competent person's statement

The information in this report that relates to exploration results is based on and accurately reflects, information compiled by Mr Bruce Kay, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Kay is a non-executive director of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Kay consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.