ASX: CYL

Quarterly Activities Report

Quarter ended 30 June 2016

SUMMARY

- **High grade gold mineralisation intersected at Tomorrow Gold Zone on Tandarra Gold Project including:**
  - **5m @ 17g/t Au including 1m @ 79.6g/t Au**
  - **11m @ 6.2g/t Au including 1m @ 47.6g/t Au**
- **Tomorrow Gold Zone mineralisation confirmed over 800 metre strike length**
- **Possible extension and parallel gold zone identified at southern end of Tomorrow Zone**
- **Further high grade gold mineralisation intersected at Hayanmi Gold Zone at Four Eagles Gold Project including:**
  - **5m @ 6.1g/t Au including 1m @ 20.6g/t Au**
  - **10m @ 3.7g/t Au including 2m @ 13.9g/t Au**
- **Full data review and interpretation in progress**

During the June 2016 Quarter, Catalyst Metals Limited (**Catalyst** or the **Company**) (**ASX: CYL**) commenced an RC Blade/Hammer drilling programme at the Tandarra Gold Project and also carried out further RC Blade drilling at the Four Eagles Gold Project. High grade gold intersections were obtained at both projects and provided further information on the configuration of the gold zones.

The Four Eagles Gold Project and the Tandarra Gold Project are about 15 kilometres apart along the Whitelaw Fault Corridor which has experienced limited prior exploration. Catalyst now manages the entire Whitelaw Gold Belt and has interests in eight Exploration Licences which extend for 75 kilometres along the Whitelaw and Tandarra Faults north of Bendigo in Victoria (Figure 1).

WHITELAW GOLD BELT

The drilling activity commenced in the March 2016 quarter continued after a brief pause and re-commenced in the Tandarra Dingee area where RC Blade drilling was carried out on the Tomorrow and Macnaughtans gold zones and reconnaissance air-core drilling at Raydarra (EL5266), Raydarra East (EL5509) and Tandarra (EL4897). In mid-May 2016, RC Blade/Hammer drilling re-commenced at the Four Eagles Gold Project to continue the angled drilling programme on the Hayanmi Gold Prospect. The drilling was curtailed on 7 June 2016 when early winter rains and grain sowing made land access difficult.

Overall, the 2016 drilling season has been a very productive one both in terms of good metreage and the achievement of many new high grade gold intersections.

The Whitelaw-Tandarra Fault corridor is considered to be very important for gold deposition but is still largely untested north of Bendigo because the favourable gold-bearing rocks are hidden beneath barren Murray Basin cover sediments.

Prospectors and miners who mined over 22 million ounces of high grade gold (15g/t Au) from the exposed areas of Bendigo in the 1800s were unable to find gold in the Catalyst areas because they had no method of locating the gold beneath these barren rocks.

The objective of Catalyst is to use modern geophysical and drilling techniques to discover high grade gold deposits that can be mined by open cut or underground methods. The discoveries at Four Eagles and Tandarra are testament to the high prospectivity of the Whitelaw Fault Corridor.

FOUR EAGLES JOINT VENTURE (EL4525, EL5295, EL5508)

The Four Eagles Gold Project is a joint venture between Catalyst, Providence Gold and Minerals Pty Ltd (**Providence**) and Gold Exploration Victoria Pty Ltd (**GEV**) (a wholly owned subsidiary of Hancock Prospecting Pty Ltd). Catalyst is retaining its 50% interest whilst GEV has now earned a 25% interest in the project and has made the decision to spend a further $2.1 million to earn the remaining 25% from Providence. The project is managed by Catalyst within the Four Eagles Joint Venture.

The Four Eagles Joint Venture covers an envelope of gold mineralisation about 6 kilometres long and 2.5 kilometres wide with gold occurring in at least three structural zones trending roughly north south (Eagle 2, Eagle 3 and Eagle 4 on Figure 2a and 2b). Three prospects have produced high grade gold intersections (Discovery, Hayanmi and Boyd's Dam).

RC BLADE/HAMMER DRILLING

This programme involved the drilling of angled large diameter air core holes (RC Blade/Hammer) on the Hayanmi Structure and was a continuation of the programme commenced in January 2016. The Hayanmi Gold Zone is one of three gold trends identified at the Four Eagles Gold Project (Figure 2a and 2b). The objective of the programme was to have drill traverses every 50 to 100 metres along the mineralised corridor to enable geological modelling of the gold mineralisation.

Hayanmi Prospect

A programme of approximately 4,000 metres of RC Blade was planned but only 2,331 metres was completed between mid-May 2016 to 7 June 2016 before successive rain events and grain sowing caused the programme to be curtailed. The following significant gold intersections have been recorded and are shown diagrammatically on the plan and longitudinal projection in Figures 3 and Figure 4.

- **10.0m @ 3.7g/t Au including 2.0m @ 13.9g/t Au from 61 metres (FERC043)**
- **4.0m @ 4.15g/t Au including 1.0m @ 14.6g/t Au from 65 metres (FERC042)**
- **5.0m @ 6.1g/t Au including 1.0m @ 20.6g/t Au from 71 metres (FERC058)**
- **4.0m @ 2.8g/t Au including 1.0m @ 7.9g/t Au from 116 metres (FERC041)**
- **1.0m @ 9.5g/t Au from 111 metres and 2.0m @ 3.5g/t Au from 123 metres (FERC054)**
- **5.0m @ 2.34g/t Au from 73 metres including 1.0m @ 7.91g/t Au (FERC061)**
- **1.0m @ 8.4g/t Au from 73 metres (FERC057)**
- **6.0m @ 1.52g/t Au from 130 metres (FERC056)**
- **1.0m @ 4.8g/t Au from 110 metres (FERC064)**
- **4.0m @2.6g/t Au from 106 metres including 1.0m @ 6.04g/t Au (FERC059)**

The longitudinal projection in Figure 4 suggests that the gold mineralisation has a generally flat or gentle plunge, possibly to the south but this cannot be confirmed without diamond drilling. These flat or gentle plunges are a characteristic of the total Bendigo-Fosterville district because the mineralisation is generally related to the intersection of steep fault structures with gently plunging anticlines.

It is informative to look at this early stage information at Hayanmi in comparison to known gold mineralisation structures at Bendigo and Fosterville. On Figures 5 and 6, the current longitudinal projection at Hayanmi is shown at the same scale as the Bendigo New Chum lode and Fosterville respectively. Each of these known ore deposits contained gently plunging shoots that contained greater than one million ounces of gold over similar strike lengths to that observed at Hayanmi. It is hoped that further drilling at Hayanmi will better define the ore shoots within this 2.9 kilometre long structure.

It is also likely that the Boyd's Dam and Discovery gold zones at Four Eagles will have similar plunging morphology but further drilling will be required to establish this.

All of the assays quoted above have been obtained using a 25 gram sub-sample and an Aqua Regia digest followed by ICP-MS analysis but anomalous assays are being re-assayed by bulk leaching the total ± 2 kilogram sample. This provides an excellent check of the variability of gold at Four Eagles which tends to be fine grained and shows a low "nugget effect" compared to the Bendigo goldfield.

Mr Bruce Kay, Catalyst's Technical Director, stated, "It is disappointing that more drilling could not be completed before the start of the wet season but the Four Eagles Joint Venture will be well placed to resume drilling on this prospective trend after the crops have been harvested in December 2016".

Full location data on the 17 RC Blade/hammer holes and the Summary of Sampling Techniques and Reporting of Exploration Results according to the JORC Code 2012 Edition were tabulated in Appendix 1 of the ASX Announcement of 28 July 2016. This announcement also contained a table showing maximum gold values in each hole.

TANDARRA GOLD PROJECT (EL4897) (CATALYST EARNING 51% FROM NAVARRE MINERALS LIMITED)

The Tandarra Project is comprised of Exploration Licence 4897, which is owned by Navarre Minerals Limited (**Navarre**). Under a farm-in arrangement with Navarre, Catalyst is earning a 51% equity interest in Exploration Licence 4897 by spending $3 million on exploration over a four year period. The Company delayed the commencement of the drilling programmes until 11 April 2016 because the grant of a further two year extension to EL4897 was not received until March 2016.

RC BLADE DRILLING: TOMORROW AND MACNAUGHTANS ZONES

RC Blade drilling commenced at the **Tomorrow Gold Zone** on 11 April 2016 and was completed in early May 2016, of which 39 holes were drilled for a total of 4,003 metres. Thirty Four (34) of these holes were drilled on the Tomorrow Gold Zone over a strike length of 800 metres and tested the structure down to a vertical depth of about 80 metres. Eight (8) traverses were completed to give an approximate traverse spacing of about 50 metres along the mineralised zone with holes oriented at 60 degrees to the west. Each traverse contained at least one significant gold intersection as shown on the plan view and longitudinal section as Figures 3a, 3b and 4.

Six holes were drilled on two traverses on the **Macnaughtans Gold Zone** but the maximum gold value was 0.75g/t Au.

All assays reported have been obtained by using an aqua regia digest and an AAS finish on a 25 gram sample taken from a ± 2 kilogram sample. These 2 kilogram samples still need to be bulk leached with cyanide to verify the gold values and also to provide a better understanding of the gold particle size and reproducibility.

All drill traverses on the Tomorrow Gold Zone contained at least one significant gold intersection with some holes containing multiple zones. A summary of the significant intersections is provided below and all drill hole results are included in Appendix 1.

Tomorrow Gold Zone

- **5.0m @ 17.0g/t Au from 106 metres including 1.0m @ 79.6g/t Au (RCT107)**
- **10.0m @ 6.2g/t Au from 74 metres and 23m @ 1.91g/t Au from 90 metres (RCT111)**
- **2.0m @ 14.3g/t Au from 54 metres and 5.0m @ 5.9g/t Au from 84 metres (RCT132)**
- **4.0m @ 7.9g/t Au from 54 metres (RCT104)**
- **2.0m @ 6.9g/t Au from 61 metres (RCT102)**
- **2.0m @ 13.9g/t Au from 79 metres (RCT115)**
- **7.0m @ 3.16g/t Au from 73metres (RCT119)**
- **1.0m @ 8.96g/t Au from 29 metres and 6.0m @ 6.1g/t Au (RCT136)**
- **1.0m @ 11.2g/t Au from 62 metres (RCT124)**
- **1.0m @ 34.3g/t Au from 82 metres (RCT126)**
- **3.0m @ 6.0g/t Au from 64m (RCT131)**

The deeper intersection in RCT132 (**5.0 metres @ 5.9g/t Au**) at the southern end of the Tomorrow structure appears to be situated west of the main trend and may represent another parallel zone of mineralisation that has not been tested by previous drilling. There is also scope to extend the Tomorrow Gold Zone along strike to the south.

All assays are currently being finalised and entered into a database from which interpretation and modelling of the gold mineralisation will be conducted.

Mr Bruce Kay, Catalyst's Technical Director, stated, "It is pleasing that the completed RC drilling programme has confirmed the Tomorrow gold mineralisation over an 800 metre strike length, and indicated that there could be further gold potential at the southern end".

Full location data on the 39 RC Blade/hammer holes and a Summary of Sampling Techniques and Reporting of Exploration Results according to the JORC Code 2012 Edition were included in Appendix 1 of an ASX announcement dated 20 July 2016. Maximum gold values in each hole were also tabulated in Table 2 of the same Appendix.

RECONNAISSANCE AIR CORE DRILLING PROGRAMME: TANDARRA

Reconnaissance air core drilling had been planned for the Tandarra North and Dingee Zones (Figure 2) during the June 2016 Quarter but this was delayed by the late grant of EL4897 which meant that many drill sites became inaccessible because of grain sowing preparation and other seasonal farming activities. Three holes were drilled to the north of the Tomorrow Gold Zone and showed a basement depth of 80 to 100 metres. No gold mineralisation was intersected but anomalous arsenic values in air core hole ACT 230 suggests that the mineralised corridor may be present in this area. Further testing will be required. Collar location data and assay values were included in the ASX Announcement on 20 July 2016.

The deferred programme of reconnaissance air core drilling as shown on Figure 2 will now be rescheduled to begin following the grain harvest in December 2016.

CASTLEMAINE JOINT VENTURE PROJECT: RAYDARRA (EL5266)

A total of 8 reconnaissance air core holes (902 metres) were drilled at **Raydarra EL5266** (Figure 1) during the June Quarter 2016, along the roadside of Triplets Road and Yallock Mail Road, just south of Dingee. The drill hole program was designed to provide vertical holes into Ordovician basement at a nominal spacing of 320m along two traverses 3.2 kilometres apart within the prospective corridor some 2.8 kilometres south of the Tandarra Tomorrow prospect.

The 5 air core holes drilled along Triplets Road encountered basement at a nominal 70m depth, with drill holes extending as much as 52 metres into basement, but the basement beneath Yallock Mail Road was substantially deeper and drilling did not achieve basement depth.

No significant gold values were recorded and the basement and the arsenic geochemistry showed low values. (See Appendix 1 for drill location and description of sampling methodology)

OTHER WHITELAW BELT TENEMENTS: 100% CATALYST (EL5521, EL5533, EL5009)

A total of 11 reconnaissance air core holes (1,338 metres) were drilled at **Raydarra East EL5509** (Figure 1) during the June 2016 Quarter, along the roadside of Triplets Road and Yallock Mail Road, Dingee. The drill hole program was designed to provide vertical holes into Ordovician basement at a nominal spacing of 320m along two traverses 3.2 kilometres apart within the prospective corridor some 2.8 kilometres south of the Tandarra Tomorrow prospect.

Of the 7 air core holes drilled along Triplets Road, only ACR017 encountered basement; at 112 metres depth. The remaining holes were terminated prior to achieving basement either due to technical difficulties (pertaining to unconsolidated gravels) or due to excess depth (beyond 130 metres).

No anomalous gold or arsenic was recorded in drill hole ACR017 which intersected basement (Appendix 1, Tables 3 and 4).

There was no activity on EL5521 (Macorna Bore) or EL5533 (Sebastian).

CORPORATE

During the June 2016 Quarter Catalyst made an equity placement, which was managed by Sydney based Paradigm Securities Pty Ltd, of 1,963,500 ordinary fully paid shares at a subscription price of 40 cents per share to raise $785,400 for additional working capital purposes.

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Corporate summary (at 30 June 2016)

ASX trading code:	CYL & CYLO
Quoted shares:	54,729,004
Quoted options:	2,623,184
Unlisted performance rights:	350,000
Cash balance at end of quarter:	$1.4 million
Postal address:	PO Box 778
	Claremont, Western Australia 6910
Telephone:	(+61 8) 6263 4423
Facsimile:	(+61 8) 9284 5426
E-mail:	admin@catalystmetals.com.au
Web-site:	www.catalystmetals.com.au

Tenement directory

Project	**Tenement number**	**Beneficial interest**
Victoria		
Four Eagles	EL4525	50% (farm-in agreement)
Four Eagles	EL5295	50% (farm-in agreement)
Pyramid	EL5508	50% (farm-in agreement)
Raydarra East	EL5509	100%
Tandarra	EL4897	51% (earning in via farm-in agreement)
Sebastian	EL5533	100%
Raydarra	EL5266	51% (earning in via farm-in agreement)
Macorna Bore	EL5521	100%

No interests in mining tenements or farm-in or farm-out agreements were acquired or disposed of during the June 2016 Quarter.

JORC Reporting of Historic Navarre Exploration Results

Although Catalyst was not involved in previous exploration at the Tandarra Gold Project, it has elected to update the information to comply with the JORC 2012 Code. The results had been publicly reported by Leviathan Resources Pty Ltd (ASX code LVR) (December 2004 to January 2007), Perseverance Corporation Limited (ASX code PSV) (January 2008 to March 2011) and Navarre Minerals Limited (ASX code NML) (March 2011 to September 2015) in numerous announcements during the stated periods under the JORC 2004 Code. Catalyst has limited knowledge on how the data was collected but has had to make assumptions based on the available historic data generated by these companies.

Full location data on the Tandarra drill holes and a Summary of Sampling Techniques and Reporting of Exploration Results according to the JORC Code 2012 Edition were included in the Company's ASX announcement dated 1 September 2014.

Competent person's statement

The information in this report that relates to exploration results is based on information compiled by Mr Bruce Kay, a Competent Person, 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 that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 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.

Much of the historical information relating to the Four Eagles project was prepared and first disclosed under the JORC Code 2004. This information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was reported.

Information relating to the Tandarra project was first disclosed by previous tenement holders under the JORC Code 2004. This information has been subsequently reported by the Company in accordance with the JORC Code 2012, refer to announcement dated 1 September 2014 and the quarterly activities report dated 31 July 2014.

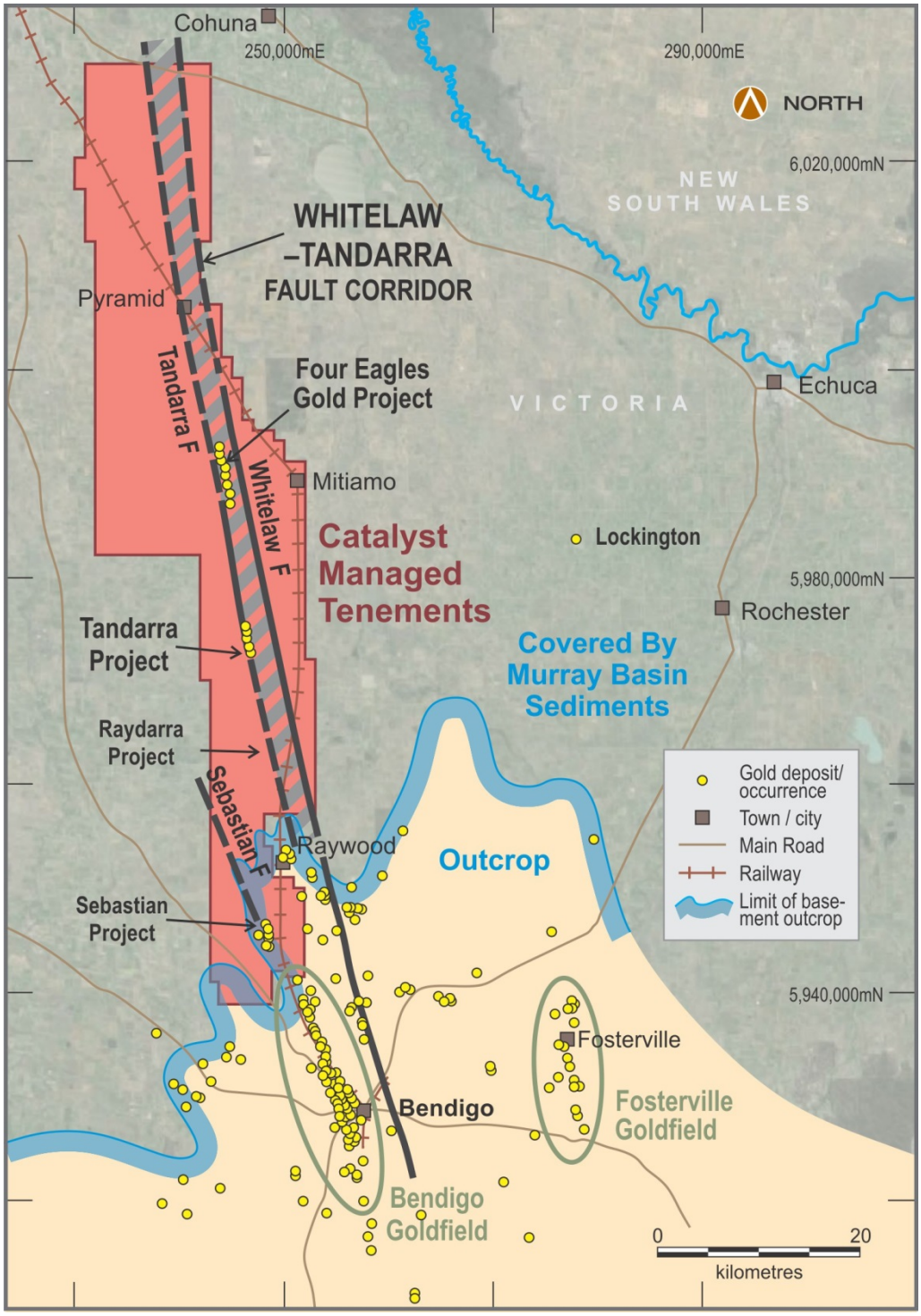

Figure 1: Whitelaw Gold Belt Tenement Holdings

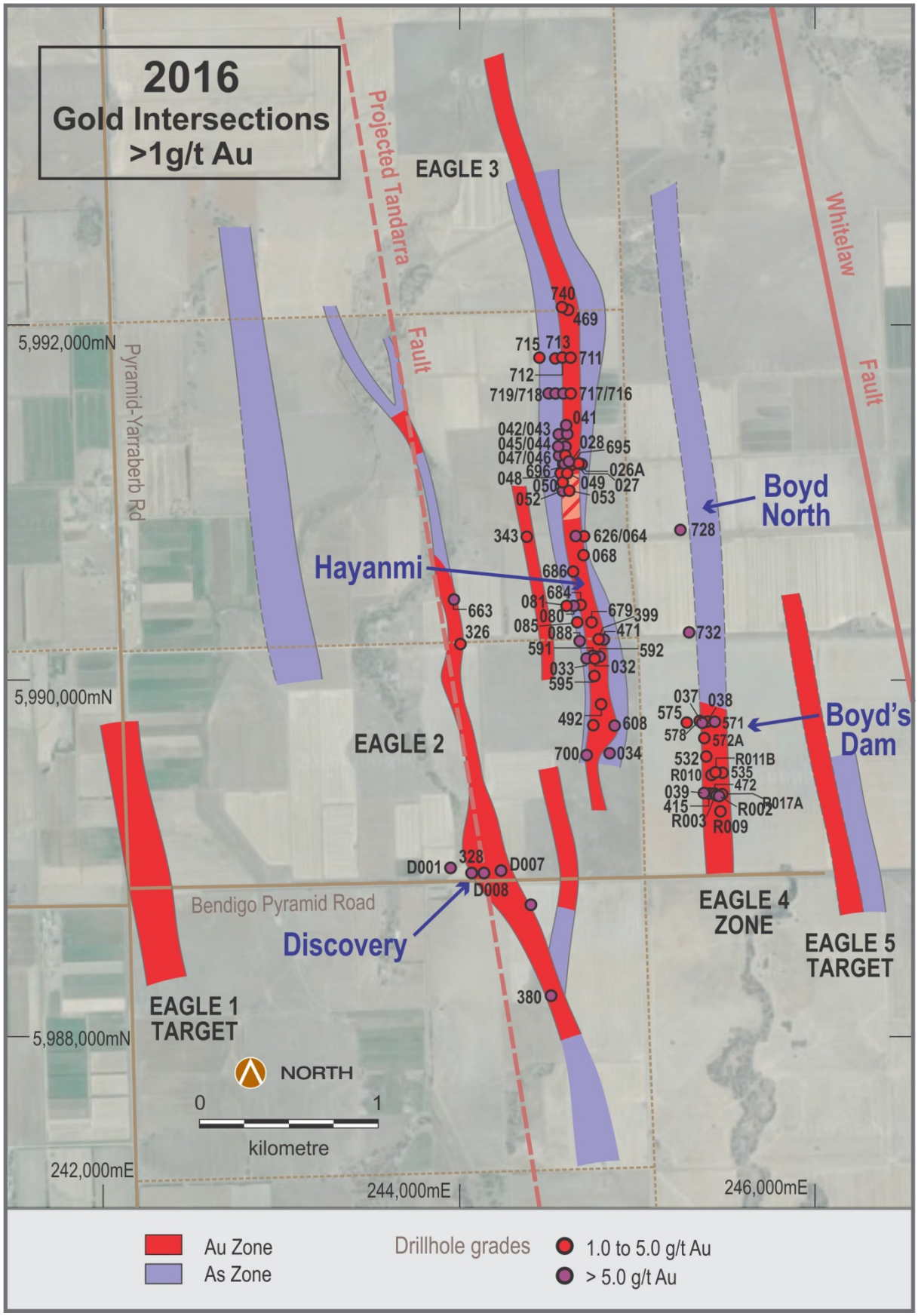

Figure 2a: Four Eagles Gold Project showing defined gold zones and intersections greater than 1g/t Au

Figure 2b: Four Eagles Gold Project showing intersections for Figure 2a and Figure 3

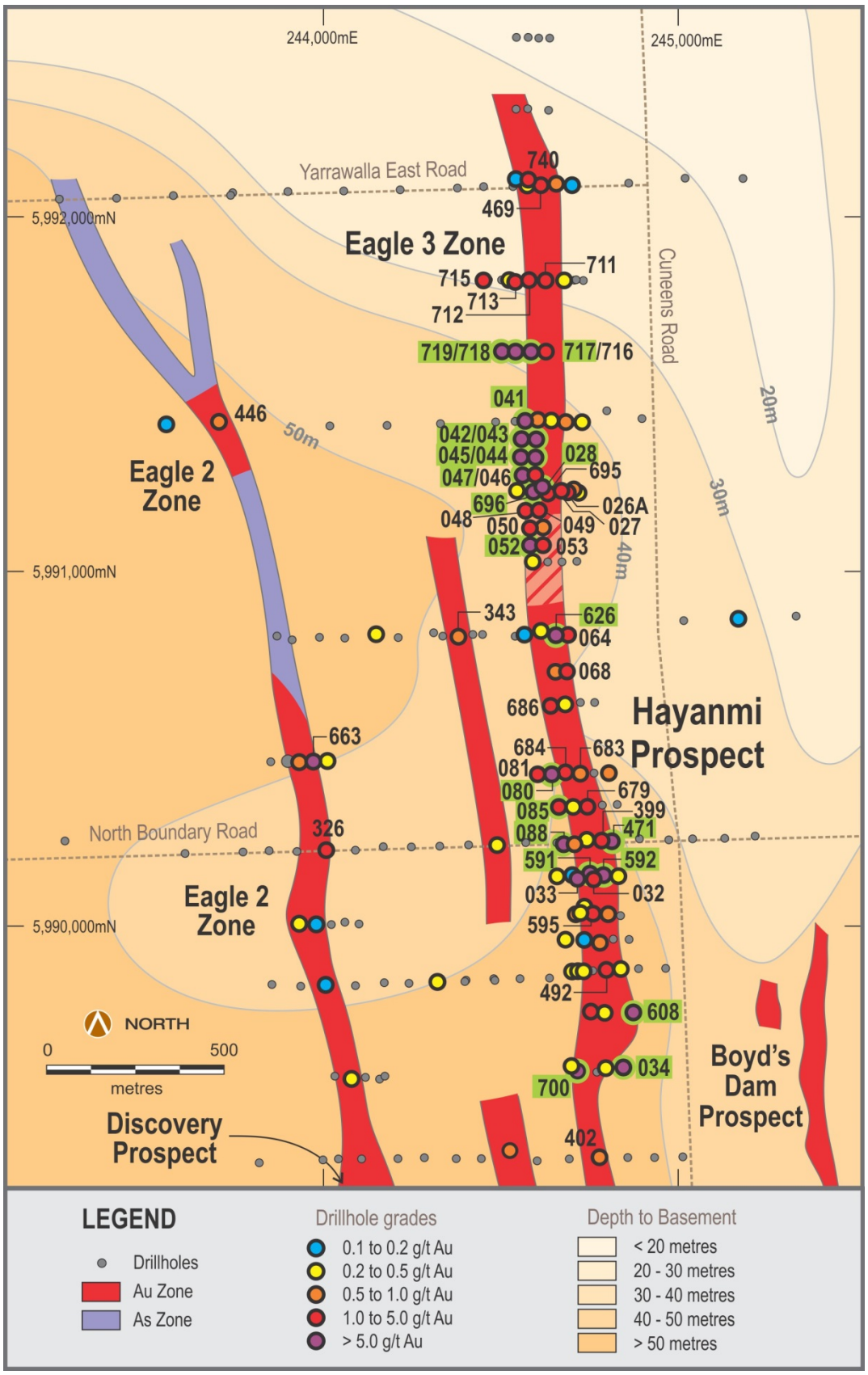

Figure 3: Hayanmi Prospect plan view showing gold trends and drill holes

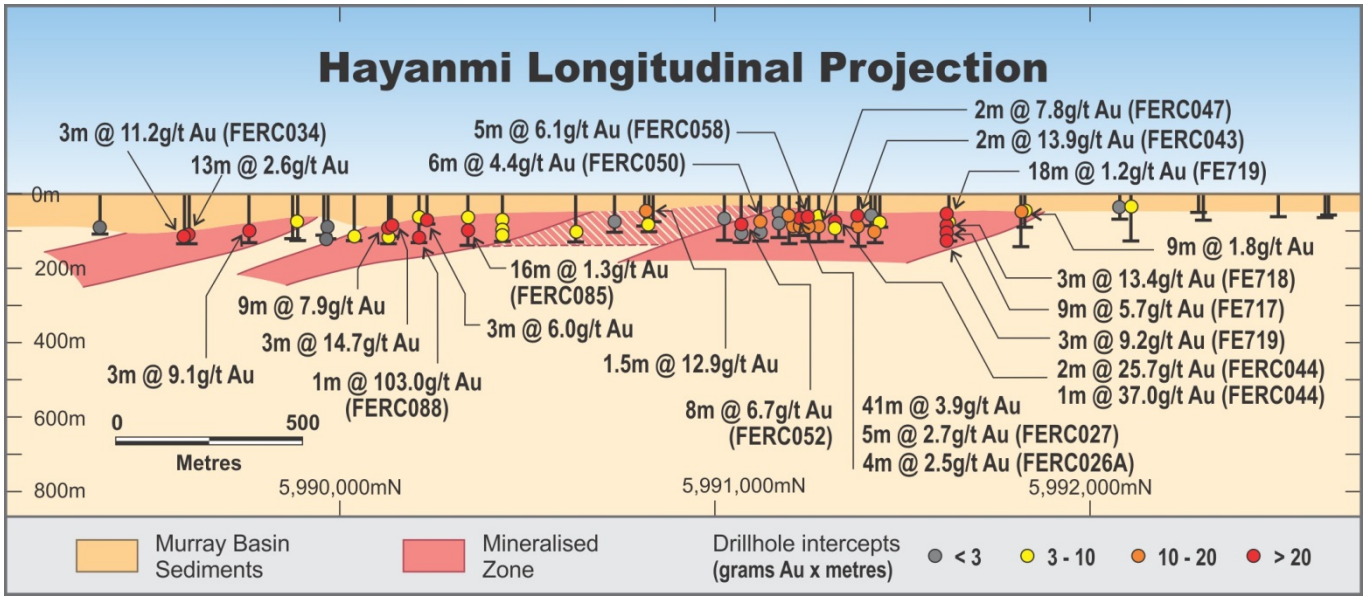

Figure 4: Hayanmi Prospect Longitudinal Projection looking west

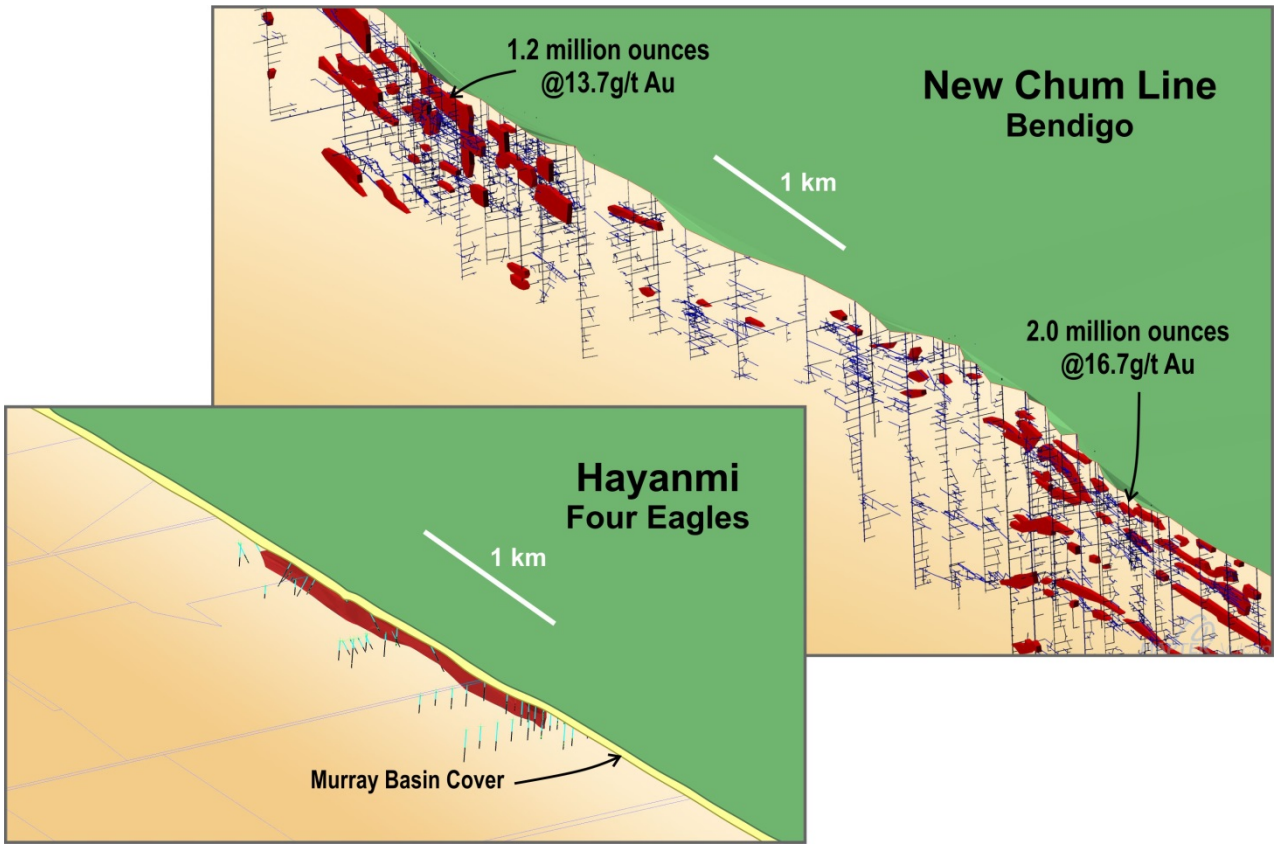

Figure 5: Isometric View of the New Chum gold zone at Bendigo compared to the current mineralised trend at Hayanmi (same scale). Note the "stacking" of flat plunging lodes at Bendigo

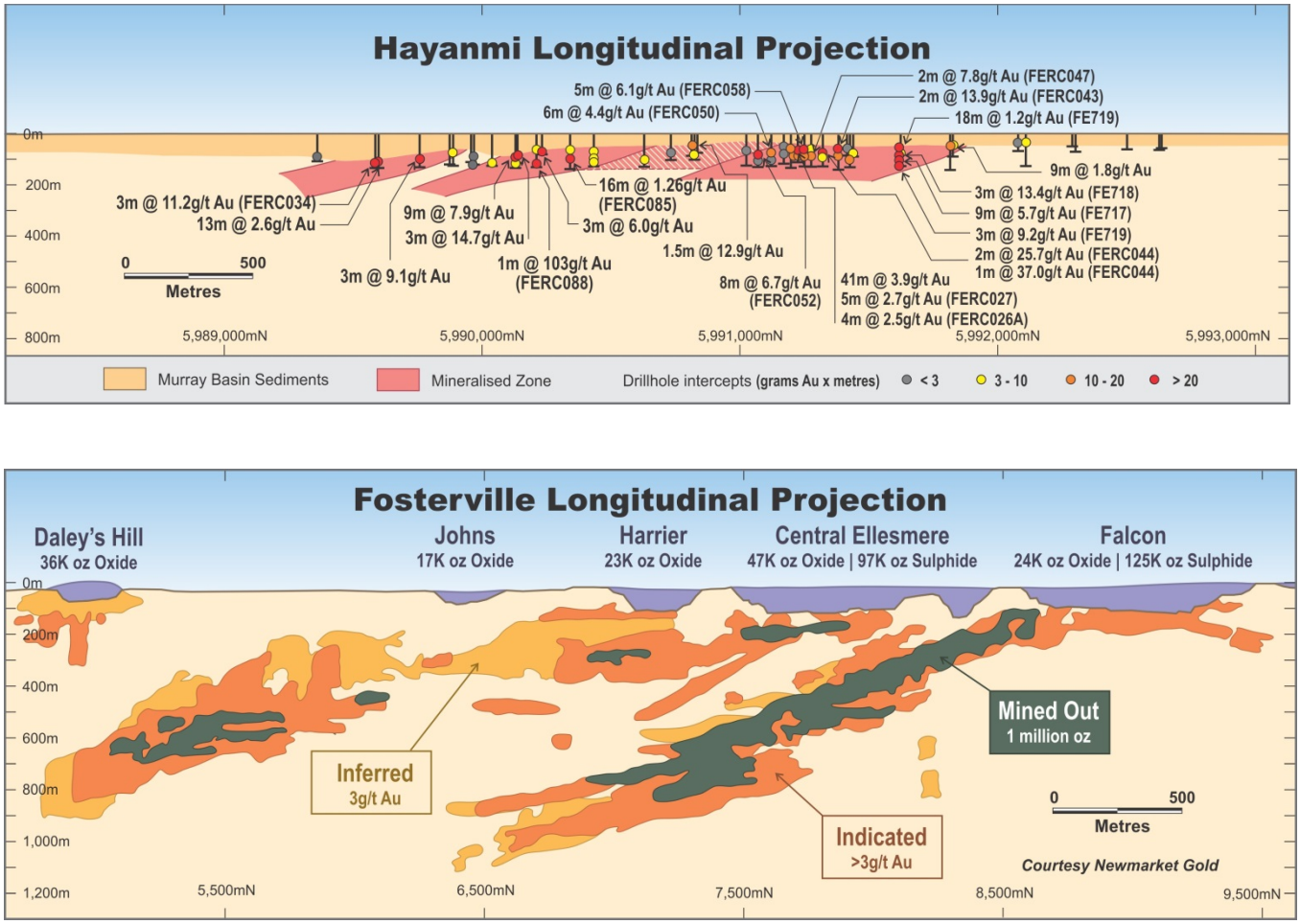

Figure 6: Longitudinal Projection of Hayanmi compared to the Fosterville Gold Zones (at the same scale). Courtesy Newmarket Gold Inc.

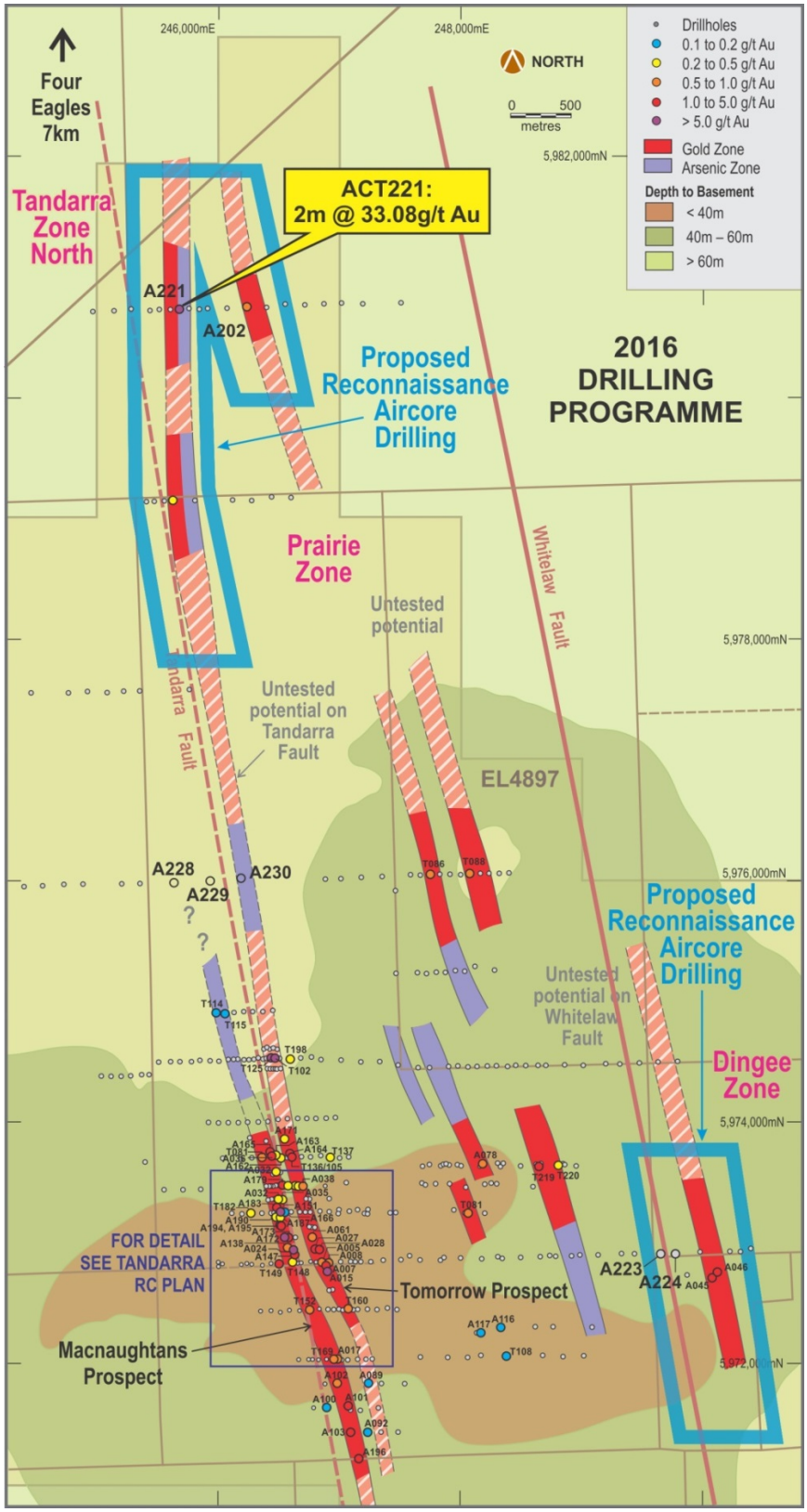

Figure 7: Tandarra Gold Project showing gold zones and areas of proposed reconnaissance drilling

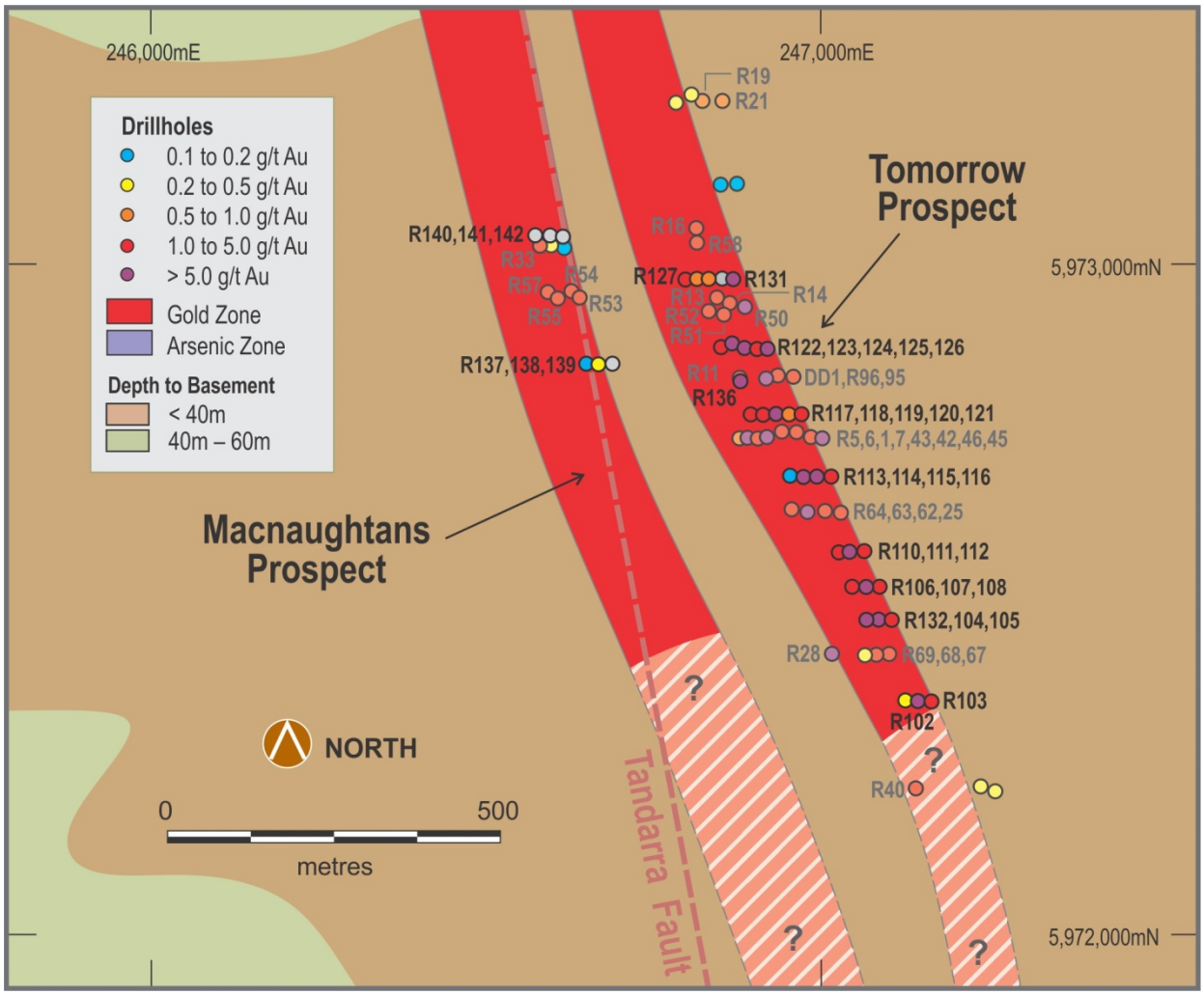

Figure 8a: Tomorrow and Macnaughtans Gold Trends showing location of recent RC drillholes (shown in dark highlight): Significant intersections are tabulated on Figure 8b.

Significant Aircore Intersections

TAC136		6.0m @ 2.95g/t Au from 75m	ACT151		1.5m @ 59.2g/t Au from 69m
TAC146		1.0m @ 9.96g/t Au from 42m		and	2.0m @ 5.12g/t Au from 70.5m
ACT015		10m @ 17.88g/t Au from 37m	ACT172		3.0m @ 8.83g/t Au from 46.5m
ACT024		1.0m @ 2.91g/t Au from 107m		and	1.5m @ 2.62g/t Au from 58.5m
	and	1.0m @ 15.2g/t Au from 118m		and	1.5m @ 6.93g/t Au from 79.5m

Significant RC/DD Intersections

DDT001		1.3m @ 18.2g/t Au from 20m	RCT050		2.0m @ 18.4g/t Au from 44m
	and	1.7m @ 5.7g/t Au from 36m	RCT051		15m @ 1.44g/t Au from 22m
	and	1.3m @ 5.9g/t Au from 39.4m	RCT062		5.0m @ 3.7g/t Au from 41m
RCT006		1.0m @ 6.05g/t Au from 45m		and	7.0m @ 2.21g/t Au from 81m
	and	7.0m @ 5.5g/t Au from 50m	RCT063		4.0m @ 9.2g/t Au from 18m
RCT007		1.0m @ 8.6g/t Au from 12m		and	4.0m @ 2.39g/t Au from 103m
RCT028		8.0m @ 2.7g/t Au from 76m	RCT073		1.0m @ 7.29g/t Au from 41m
	inc	2.0m @ 8.9g/t Au from 82m	RCT096		23m @ 1.0g/t Au from 58m
RCT045		1.0m @ 10.8g/tAu from 43m	RCT097		3.0m @ 6.4g/t Au from 54m
	and	4.0m @ 2.67g/t Au from 55m			

Recent Significant RC Intersections

RCT102		2.0m @ 6.9g/t Au from 61m	RCT124		1.0m @ 11.2g/t Au from 62m
RCT104		4.0m @ 7.9g/t Au from 54m	RCT126		1.0m @ 34.3g/t Au from 82m
RCT107		5.0m @ 17.0g/t Au from 106m	RCT131		3.0m @ 6.0g/t Au from 64m
RCT111		11m @ 6.2g/t Au from 74m	RCT132		2.0m @ 14.3g/t Au from 54m
	and	23m @ 1.9g/t Au from 90m		and	5.0m @ 5.9g/t Au from 84m
RCT115		2.0m @ 13.9g/t Au from 79m	RCT136		1.0m @ 8.96g/t Au from 29m
RCT119		7.0m @ 3.16g/t Au from 73m		and	6.0m @ 6.1g/t Au from 51m

Figure 8b: Table of significant intersections shown on Figure 8a

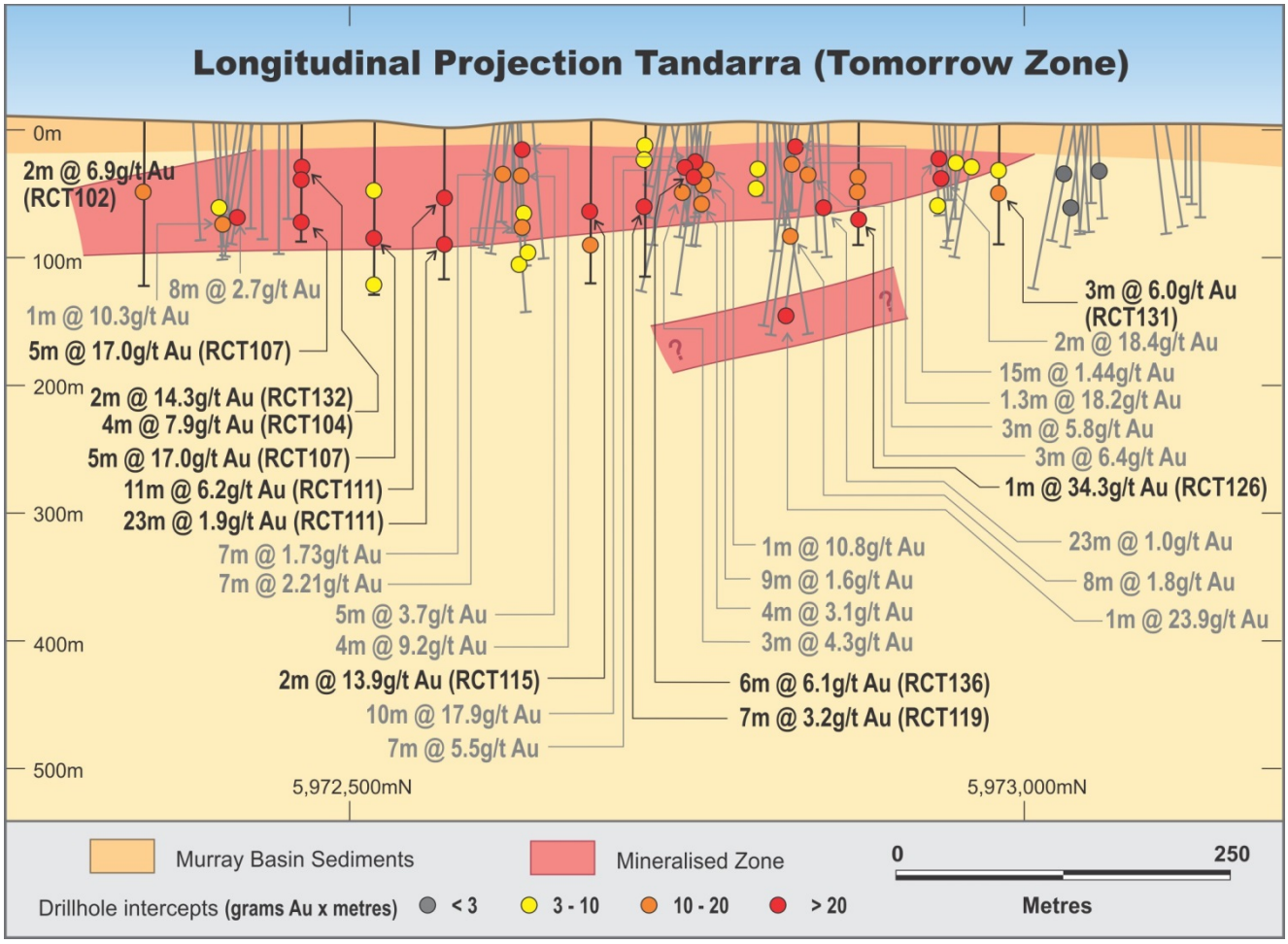

Figure 9: Longitudinal Projection of the Tomorrow Zone showing area of RC Blade Drilling

APPENDIX 1: AIR CORE DRILLING

Table 1 - Air Core Drill hole Collars: Raydarra EL5266

Hole	East (MGA)	North (MGA)	RL (AHD)	Depth (m)	Grid Azimuth	Declination
ACR012	246824	5966358	100	124	0	-90
ACR013	247109	5966381	100	108	0	-90
ACR014	247434	5966393	100	103	0	-90
ACR015	247766	5966402	100	105	0	-90
ACR016	247916	5966404	100	120	0	-90
ACR031	247005	5969577	100	114	0	-90
ACR033	247469	5969595	100	114	0	-90
ACR035	247776	5969606	100	114	0	-90

Samples were taken from basement as three-metre composites for trace-level aqua regia analysis for gold, and as one-metre grabs for multi-element analysis.

Samples of approximately 20 kilograms were collected from the rig cyclone at one-metre intervals and logged. At basement, assay samples were composited according to a hand-grab procedure from the bulk bags. All basement samples were sent to ALS-Minerals Adelaide for sample preparation and pulverisation and then a 25 gram sub-sample analysed by ALS-Minerals Perth by ICP-MS via aqua regia digestion.

For program quality assurance, duplicate samples were taken at a rate of one per drillhole and sent for analysis, as were commercial certified reference materials (CRMs) for gold. Within the program, only five standards were submitted – only one of which assayed within the 95% confidence interval. The others were either biased slightly high (maximum of 3% outside of 95% confidence) slightly low (maximum of 6% outside of 95% confidence). There are insufficient data points to perceive a trend. In summary, the CRM data do not provide reason for concern.

Table 2 - Assay Results Air Core Drilling: Raydarra EL5266

Hole ID	From (m downhole)	To (m downhole)	Intersection (m)	Au (ppm)	As (ppm)
ACR012	102	105	3	0.011	
ACR013	81	84	3	0.017	
ACR014	96	99	3	0.009	
ACR015	81	84	3	0.021	
ACR015	86	87	1		53.2
ACR016	66	69	3	0.004	
ACR031			No sample		
ACR033			No sample		
ACR035			No sample		

Table 2 summarises the zones of significance, or the maximum achieved assay for each hole in lieu of a significant assay.

Table 3 - Air Core Drill hole Collars: Raydarra East EL5509

Hole	East (MGA)	North (MGA)	RL (AHD)	Depth (m)	Grid Azimuth	Declination
ACR017	248035	5966410	100	141	0	-90
ACR018	248198	5966419	100	126	0	-90
ACR020	248491	5966423	100	108	0	-90
ACR022	248932	5966437	100	138	0	-90
ACR024	249572	5966440	100	133	0	-90
ACR026	250175	5966458	100	102	0	-90
ACR028	250752	5966471	100	111	0	-90
ACR037	248235	5969617	100	110	0	-90
ACR041	249284	5969651	100	111	0	-90
ACR043	249942	5969669	100	99	0	-90
ACR045	250589	5969689	100	159	0	-90

As holes were unsuccessful in achieving basement, alternate holes were dropped from the program resulting in a broader spacing to control cost. Samples were taken from basement as three-metre composites for trace-level aqua regia analysis for gold, and as one-metre grabs for multi-element analysis. The basement beneath Yallock Mail Road was encountered on the final hole of the traverse ACR045; at 125 metres depth. This hole was extended to a total depth of 159 metres in an effort to gain a large number of samples from at least one hole.

Samples of approximately 20 kilograms were collected from the rig cyclone at one-metre intervals and logged. At basement, assay samples were composited according to a hand-grab procedure from the bulk bags. All basement samples were sent to ALS-Minerals Adelaide for sample preparation and pulverisation and then a 25 gram sub-sample analysed by ALS-Minerals Perth by ICP-MS via aqua regia digestion.

Table 4 - Assay Results Air Core Drilling: Raydarra East EL5509

Hole ID	From (m downhole)	To (m downhole)	Intersection (m)	Au (ppm)
ACR017	69	72	3	0.015 (cover)
	135	138	3	0.008 (basement)
ACR018			No sample	
ACR020			No sample	
ACR022			No sample	
ACR024			No sample	
ACR026			No sample	
ACR028			No sample	
ACR037			No sample	
ACR041			No sample	
ACR043			No sample	
ACR045	17	20		0.014 (basement)

Table 4 summarises the zones of significance, or the maximum achieved assay for each hole in lieu of a significant assay. The program delivered no significant arsenic values.

JORC 2012 Edition, Table 1 to Table 4 Checklist

Sampling Techniques and Data **Criteria**	**Explanation**
Sampling techniques	• Samples collected at cyclone at one-metre intervals • Cover sequence samples collected in buckets and arranged as piles on the ground; basement material samples collected in individual numbered plastic bags; chip trays collected by hand from piles and bags (uncomposited) • Assay laboratory samples collected by hand from bags (no routine cover sequence sampling) into calico sample bags to a mass of <3kg (composited to three-metre intervals corresponding with drill rods). • Cover sequence is understood to be unmineralised and thus not sampled for assay laboratory submission.
Drilling techniques	• Three-inch diameter air core blade drill bit; three-metre reverse circulation drill rods; truck-mounted drill rig; 350psi 850cfm compressor. • All holes uncased • Penetration into basement to depth of groundwater contamination or bit refusal against quartz.
Drill sample recovery	• Where sample volumes at cyclone are unduly affected by groundwater, holes terminated (by inspection) where sample compromised • Sample water content assessed by rig geologist as being dry/moist/wet • Calico bag masses recorded by laboratory contractor • Geological control maintained at the drill site at all times, to ensure drilling and sampling standards maintained.
Logging	• Chip samples geologically logged at 1m intervals for lithology, alteration, quartz veining and to a standard acceptable for subsequent interpretation for use in estimation. • Logging aspects are qualitative with exception of quartz vein content which is estimated semi-quantitatively • All logged intervals represent entire one-metre sample segregation intervals

Sampling Techniques and Data **Criteria**	**Explanation**
Sub-sampling techniques and sample preparation	• Samples selected (composited) by hand-grab at drill site when materials were dry, moist, or wet; duplicate samples taken approximately every 30 samples (one per drillhole). • Samples dispatched to ALS Pty Ltd (Adelaide); samples dried and pulverised in entirety, with 25g aliquot split for analysis (laboratory repeat splits historically demonstrate acceptable reproducibility and hence accuracy for this mineralisation) • Analysis of duplicate samples collected at the drill site provided acceptable confidence that sampling was appropriate for the level for the intended (non-resource estimation) use of the assay data.
Quality of assay data and laboratory tests	• Gold assay determined by ICPMS via aqua regia digestion. Experience has shown this method to be applicable for fine grained gold population of the mineralisation due to the completion of digestion. There is a technical constraint in that coarse-grained gold may not completely enter solution resulting in conservative assay.
Verification of sampling and assaying	• Data management procedures are under development. Data management has been performed by an experienced individual and not by several individuals. • There has been no verification of significant intersections by independent nor alternative company personnel. • There has been no drillhole twinning to verify results. • Drillhole sampling and geological data logged onto paper in preparation for database data entry. • There have been no adjustments to data as provided by the commercial assay laboratory.
Location of data points	• Drillhole collars surveyed by 12-channel GPS to MGA94 and AHD estimated from terrain model created from publicly-available land survey data • Collar locations to within an estimated precision of 5m at worst. • No drillholes were downhole surveyed. Drilling orientation established prior to collaring with clinometer and compass.
Data spacing and distribution	• Holes drilled on two traverses 3,200m apart. • Traverses consist of designed holes spaced at a nominal 320m. The failure to achieve basement resulting in alternate holes being removed from the program. • This spacing is not of sufficient density to allow the estimation of a mineral resource. • One-metre samples were composited to three-metre samples for the purpose of submission to the laboratory. For the purpose of reporting, assays have been aggregated to reflect continuously sampled zones of significant anomalism for gold.

Sampling Techniques and Data **Criteria**	**Explanation**
Orientation of data in relation to geological structure	• Drillhole traverses were aligned approximately normal to the strike of mineralisation. All holes inclined 90 degrees to provide a maximum depth of investigation.
Sample security	• All samples were controlled by the responsible geologist, and stored in secured facility prior to despatch to laboratory. • Samples were transported directly to laboratory by a commercial transportation contractor with chain-of-custody protocols in place. • Sample number receipt information from laboratory cross-referenced and rationalised against sample number dispatch information.
Audits or reviews	• No processes or data used in developing the release of exploration results have been subject to audit or review by non-company personnel or contractors so as to reduce costs and timelines for reporting. Catalyst Metals Limited currently reserve this process for release of Mineral Resource and Ore Reserve estimates.

Reporting of Exploration Results **Criteria**	**Explanation**
Mineral tenement and land tenure status	• The Raydarra (EL5266) and Raydarra East Project (EL5509) are situated in the Dingee Area in Victoria south of and adjoining the Tandarra Project (EL4897). Catalyst Metals Ltd. is earning a 51% interest in the Raydarra tenement from Castlemaine Goldfields but has a 100% interest in the Raydarra East tenement. • EL5266 is valid and due for renewal/retention in March 2020 • EL5509 is valid and due for renewal in June 2019 • Exploration activities were confined to free-hold farm land and road-side easements.
Exploration done by other parties	• None in the area drilled
Geology	• Gold-arsenic bearing narrow veins in Ordovician sandstone in the vicinity of a regional-scale anticline. • Deposit assessed as being northern extension of Bendigo Goldfield, with potential for post-mineralisation influence/redistribution by proximal granitic intrusion. • Potential for some supergene gold enrichment in paleo-weathering profile.

Reporting of Exploration Results **Criteria**	**Explanation**
Drill hole Information	• All information material to the understanding of the exploration results of all last-phase drill holes are tabulated: • Table 1, Table 3: Collar location coordinates, downhole depths, azimuths, declinations • Table 2, Table 4: Downhole intervals of significance, gold grade of intervals
Data aggregation methods	• Data aggregation using downhole length-weighting • No top-cutting applied to assay data • Zones of significance identified as those with assays in excess of 0.5g/t and internal dilution of two consecutive assays (six metres) or less. • Reported zones are continuous, with no sample or assay gaps.
Relationship between mineralisation widths and intercept lengths	• The strike of mineralisation is demonstrated to be generally north-south and sub-parallel with grid. • The dip of mineralisation is expected to be sub-vertical and sub-parallel with bedding as was the case in the Bendigo Goldfield. • Drillholes were oriented with a dip to the east to provide effective geometry in the context of the western limb of an anticline. • Due to the shallow depth of investigation, mineralisation dip assumptions have not been proven, and as such true widths of mineralisation have not been resolved. As such, significant mineralised intersections have been reported as downhole intervals.
Diagrams	• There are no diagrams showing the drillhole locations which are designated by MGA co-ordinates.
Balanced reporting	• Not Applicable
Other substantive exploration data	• No other exploration results that have not previously been reported, are material to this report.
Further work	• Planning for further drilling is in progress, anticipated to start in December quarter subject to grain cropping.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/01, 1/6/10, 17/12/10.

Name of entity

CATALYST METALS LIMITED

ABN

54 118 912 495

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (12 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(984)	(2,033)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(128)	(542)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	4	17
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net operating cash flows	(1,108)	(2,558)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	-	-
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	(1,108)	(2,558)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(1,108)	(2,558)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	785	1,300
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other: Farm-in advances for exploration activities (refer 2.2)	640	1,406
	Capital raising costs	(34)	(34)
	Advance from shareholder for exercise of options	11	11
	Net financing cash flows	1,402	2,683
	Net increase (decrease) in cash held	294	125
1.20	Cash at beginning of quarter/year to date	1,166	1,335
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter** [1]	1,460	1,460

[1] Includes $459,418 held on trust on behalf of the Four Eagles Joint Venture (refer item 2.2).

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	80
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Payments to directors for directors' fees for the June 2016 quarter and for consulting services provided by Mr Bruce Kay outside his duties as a director.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not applicable.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Gold Exploration Victoria Pty Ltd (GEV) has earned 25% of the Four Eagles Gold Project (Project) by spending $2.1 million to April 2016, and it is now spending $2.1 million to earn a further 25% interest in the Project. Kite Gold Pty Ltd (a wholly owned subsidiary of Catalyst Metals Ltd) owns 50% of the Project and has been appointed as the manager of the joint venture to conduct the exploration program and as such GEV provides cash advances as and when required. At 30 June 2016, GEV had advanced $640,920 to Kite Gold Pty Ltd of which $459,418 was still held on trust for GEV to meet future exploration commitments.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	100
4.2	Development	-
4.3	Production	-
4.4	Administration	100
	Total	**200**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	18	17
5.2	Deposits at call	983	775
5.3	Bank overdraft	-	-
5.4	Other: Four Eagles exploration expenditure funds held on trust (refer 2.2)	459	374
	Total: cash at end of quarter (item 1.22)	**1,460**	**1,166**

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security	Amount paid up per security
7.1	**Preference +securities**				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	54,729,004	54,729,004		Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,963,500	1,963,500	40 cents	Fully Paid
7.5	**+Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** - Listed	2,623,184	2,623,184	*Exercise Price* $0.50	*Expiry Date* 30 June 2018
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	**Performance rights**			*Vest Condition*	*Expiry Date*
	Performance rights	350,000	-	(1)	3 October 2018
	Issued during quarter				
	Vested during quarter				
	Expired during quarter				
7.12	**Unsecured notes** *(totals only)*				

Notes

(1) Performance Rights will vest on the date that the Company, through Kite Gold Pty Ltd, has earned a 60% interest in the Four Eagles Gold Project.

+ See chapter 19 for defined terms.

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2. This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 29 July 2016

Print name: Frank Campagna
Company Secretary

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3. **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4. The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5. **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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