CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
ABN 54 118 912 495

INTERIM REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

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CORPORATE DIRECTORY

DIRECTORS

Stephen Boston (Chairman)
Bruce Kay (Non-Executive Director)
Robin Scrimgeour (Non-Executive Director)
Gary Schwab (Non-Executive Director)

COMPANY SECRETARY

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STOCK EXCHANGE LISTING

The Company is listed on the Australian Securities Exchange

Home Exchange:	Perth
ASX Code:	CYL & CYLO

The Directors present their report on Catalyst Metals Limited and its subsidiaries for the half-year ended 31 December 2016.

BOARD OF DIRECTORS

DIRECTORS

The names and details of Catalyst Metals Limited ("Company") directors in office during the half-year and up to the date of this report are as follows:

Stephen Boston
Bruce Kay
Robin Scrimgeour
Gary Schwab

Directors were in office for the entire period unless otherwise stated.

REVIEW OF OPERATIONS

Whitelaw Gold Belt

There was no field activity during the half year to minimise any impact on the grain crops that are usually harvested by December each year. Planning and preparations commenced for another large field drilling season that will be conducted between January and June 2017. The results from the 2016 drilling programme have further confirmed the gold potential in the Whitelaw Fault corridor which is still largely untested because the favourable Ordovician rocks are concealed by younger sediments deposited in the Murray Basin. 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 have confirmed 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 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 Figures 2a and 2b). Three prospects have produced high grade gold intersections (Discovery, Hayanmi and Boyd's Dam). Only a small portion of the total area has been tested by drilling and the 2017 programme will aim to carry out drilling on many of the targets interpreted from the 2016 gravity survey.

Hayanmi Prospect

A programme of approximately 6,000 metres of RC Blade/Hammer will be carried out in 2017 at Hayanmi to test the vertical interval of 120 metres depth over a strike length of 1.2 kilometres (Figure 3). Several deeper RC or perhaps diamond holes will be attempted later in the season to explore potential high grade shoots of gold mineralisation that lie beneath the shallow zones as shown on the longitudinal projection on Figure 4. Such zones formed the basis of underground mining at Bendigo and Fosterville.

Some of the previous intersections recorded at Hayanmi are listed below:

- **41.0m @ 3.87g/t Au from 76 metres including 6.0m @ 16.3g/t Au from 76 metres (FE696)**
- **13.0m @ 2.6g/t Au including 5.0m @ 5.76g/t Au from 135 metres Au (FE700)**
- **3.0m @ 5.96g/t Au from 75 metres (FE471)**
- **3.0m @ 14.7g/t Au from 87 metres (FE591)**
- **9.0m @ 7.9g/t Au from 87 metres (FE608)**
- **1.5m @ 12.9g/t Au from 53 metres (FE626)**
- **10.0m @ 3.7g/t Au including 2.0m @ 14.3g/t Au from 61 metres (FERC043)**

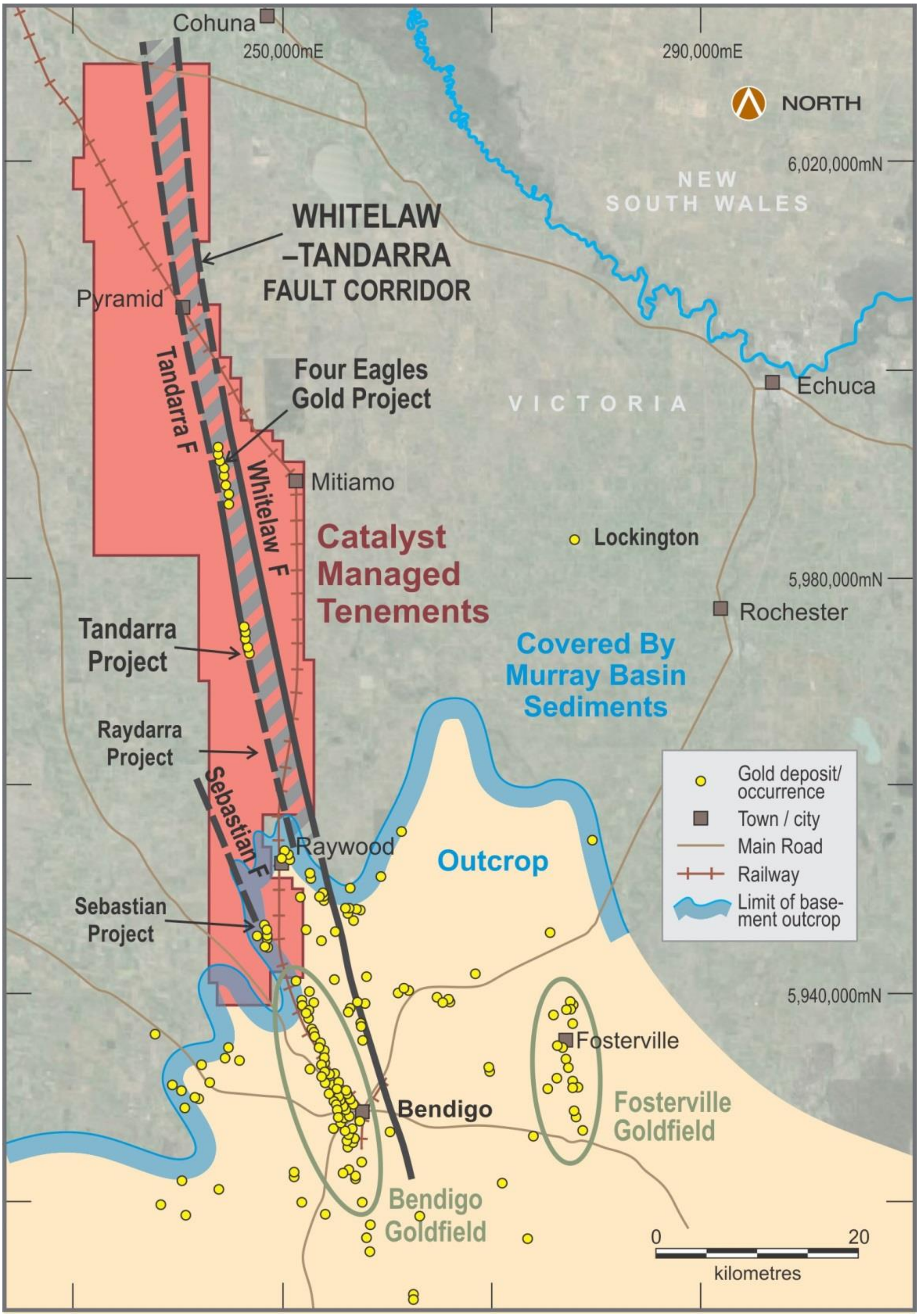

Figure 1: Whitelaw Gold Belt Tenement Holdings

- **4.0m @ 4.0g/t Au including 1.0m @ 14.3g/t Au from 65 metres (FERC042)**
- **4.0m @ 3.8g/t Au including 1.0m @ 12.0g/t Au from 116 metres (FERC041)**
- **1.0m @ 9.4g/t Au from 111 metres and 2.0m @ 3.4g/t Au from 123 metres (FERC055)**
- **5.0m @ 2.6g/t Au from 73 metres including 1.0m @ 8.5g/t Au (FERC061)**
- **6.0m @2.8g/t Au from 106 metres including 1.0m @ 9.6g/t Au (FERC059)**
- **3.0 m @ 11.2g/t Au including 1.0 m @ 32.5g/t Au from 127 metres (FERC034)**
- **1.0m @ 103.0g/t Au from 149 metres (FERC088)**
- **16.0m @ 1.26g/t Au from 94 metres including 1.0m @ 9.54g/t Au from 109 metres(FE085)**
- **5.0m @ 2.71g/t Au from 100 metres (FERC027)**
- **2.0m @ 19.2g/t Au from 93 metres (FERC044)**
- **6.0m @ 2.7g/t Au from 97 metres (FERC050)**
- **9.0m @ 5.7g/t Au from 108 metres (FE717)**
- **3.0m @ 13.4g/t Au from 99 metres (FE718)**
- **18.0m @ 1.2g/t Au from 60 metres and 3.0m @ 9.2g/t Au from 147 metres (FE719)**

Boyd's Dam Prospect

Limited drilling was possible at the Boyd's Dam prospect during 2016 due to early sowing of grain crops and the onset of wet weather. The RC Blade/Hammer programme of about 4,000 metres resumed in January 2017 to test a vertical panel down to 120 metres depth over a strike length of approximately 900 metres (Figure 5). Deeper structurally targeted holes are also planned. The objective is to confirm the mineralised shapes from previous drilling which produced the following intersections:

- **6.0m @ 3.77g/t Au including 1.0m @ 7.82g/t Au from 44 metres (FERC010)**
- **3.0m @ 36.6g/t Au from 57 metres (FE415)**
- **9.0m @ 2.33g/t Au from 48 metres (FE579)**
- **2.0m @ 6.2g/t Au from 49 metres (FERC003)**
- **1.0m @ 18.3g/t Au from 127 metres (FERC002)**
- **2.0m @ 7.6g/t Au from 55 metres (FERC039)**
- **8.0m @ 3.7g/t Au including 1.0m @ 12.35g/t Au and 1.0m @ 10.05g/t au from 66 metres (FERC039)**
- **1.0m @ 11.0g/t Au from 66 metres (FERC037)**
- **16.0m @ 2.0g/t Au from 80 metres (FERC038)**

Boyd North Prospect

This prospect lies to the north of Boyd's Dam (Figures 2a and 2b) and was discovered in early 2016 when two air-core holes 600 metres apart intersected high grade gold in an area where the basement depth is only 20 to 40 metres. Angled air core drilling will test the entire strike length between the following two holes with the objective of defining a new high grade gold prospect (Figure 5).

- **1.0m @ 6.4g/t Au from 85 metres (FE728)**
- **3.0m @ 154.0g/t Au from 96 metres (FE732)**

Discovery Prospect

The Discovery prospect was one of the first areas at Four Eagles to show high grade gold, however limited drilling has been undertaken there since 2012. The prospect, however, contains some of the highest-grade gold intersections seen at Four Eagles as shown in the following table:

- **3.7m @ 4.7g/t Au including 0.8m @ 17.5g/t Au (FEDD001)**
- **0.4m @ 8.4g/t Au and 0.75m @ 15.3g/t Au (FEDD007)**
- **0.4m @ 152g/t Au (FEDD008)**
- **6.0m @ 82.7g/t Au (FE328)**
- **1.5m @ 1.81g/t Au (FE326)**
- **3.0m @ 9.71g/t Au (FE380)**
- **3.0m @ 0.9g/t Au (FE584)**
- **3.0m @59.0g/t Au and 3.0m @ 7.0g/t Au (FE663)**

Gold is often associated with massive quartz lodes and may be hosted in saddle reefs similar to Bendigo. The structure extends over about two kilometres of strike length and air core drilling is proposed over two segments where previous drilling has shown high grades (Figures 2a and 2b).

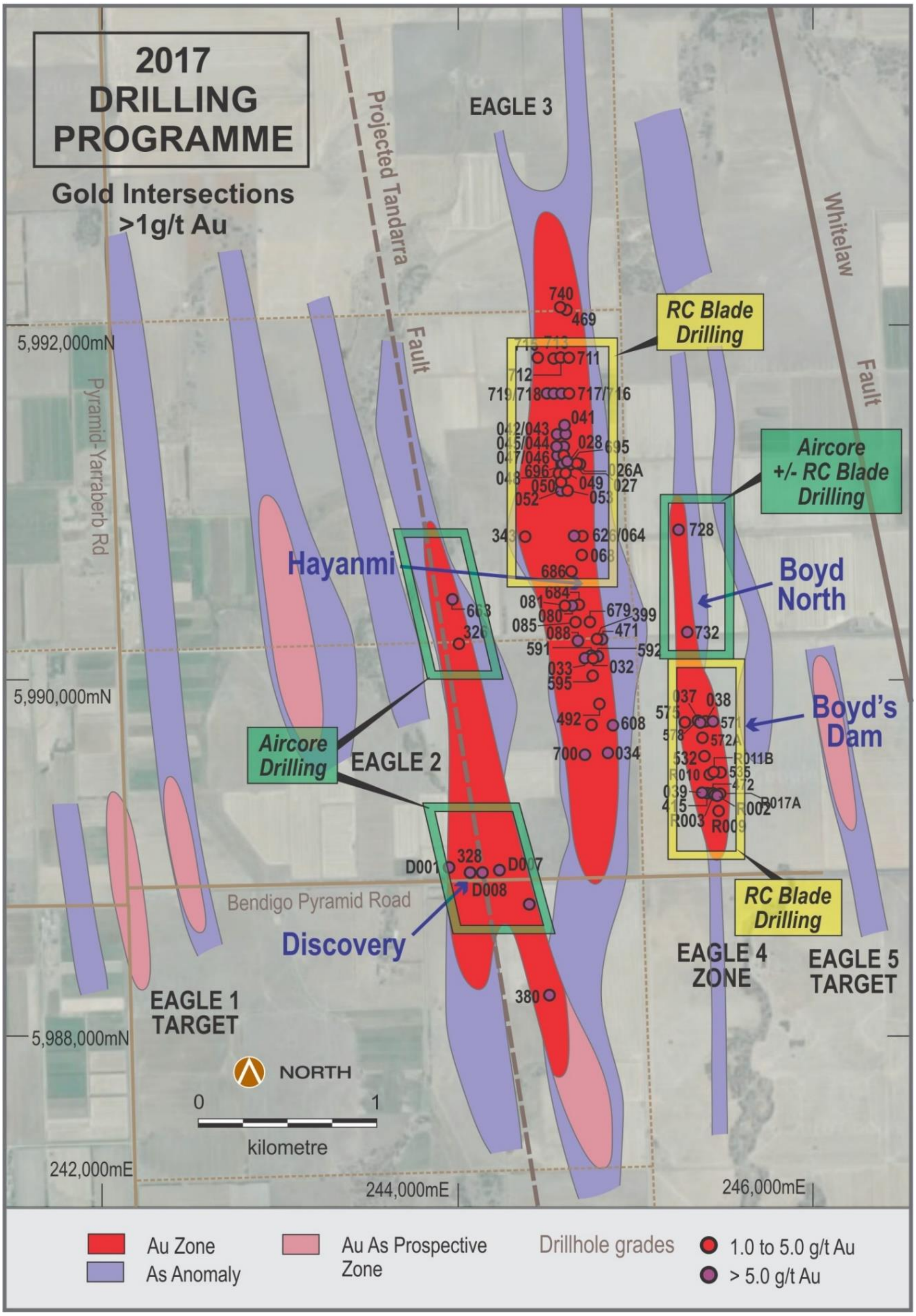

Figure 2a: Four Eagles Gold Project showing proposed 2017 areas of drilling. Interpreted gold zones and drill intersections >1.0g/t Au are also shown.

Drillhole Intersections (>1.0g/t Au)

FEDD001		3.7m @ 4.7g/t Au from 170m
	incl.	0.8m @ 17.5g/t Au from 173m
FEDD007		0.4m @ 8.4g/t Au from 168m
	and	0.75m @ 15.3g/t Au from 170m
FEDD008		0.4m @ 152g/t Au from 150m
FERC002		2m @ 1.8g/t Au from 67m
	and	1m @ 18.3g/t Au from 127m
FERC003		2m @ 6.2g/t Au from 49m
FERC009		3.0m @ 1.02g/t Au from 87m
	and	1.0m @ 1.41g/t Au from 92m
	and	1.0m @ 3.56g/t Au from 96m
FERC010		6.0m @ 3.77g/t Au from 44m
	and	6.0m @ 1.11g/t Au from 79m
FERC011B		1.0m @ 1.45g/t Au from 66m
	and	2.0m @ 3.58g/t Au from 87m
FERC017A		1.0m @ 3.29g/t Au from 79m
	and	3.0m @ 1.57g/t Au from 106m
	and	1.0m @ 1.39g/t Au from 113m
FE326		1.5m @ 1.81g/t Au from 114m
FE328		6m @ 82.7g/t Au from 123m
FE343		3m @ 3.34g/t Au from 111m
FE380		3m @ 9.71g/t Au from 120m
FE399		3.0m @ 1.42g/t Au from 66m
FE415		6.0m @ 2.6g/t Au from 45m
	and	3.0m @ 36.6g/t Au from 57m
FE469		3.0m @ 1.23g/t Au from 36m
FE471		3.0m @ 5.96g/t Au from 75m
	and	3.0m @ 1.33g/t Au from 81m
FE472		3.0m @ 1.2g/t Au from 45m
	and	3.0m @ 2.32g/t Au from 63m
FE492		3.0m @ 1.2g/t Au from 75m
FE532		3.0m @ 2.1g/t Au from 96m
FE535		3.0m @ 1.37g/t Au from 63m
FE572A		3.0m @ 1.74g/t Au from 51m
FE575		3.0m @ 4.9g/t Au from 66m
FE578		3.0m @ 1.14g/t Au from 60m
FE579		9.0m @ 2.33g/t Au from 48m
FE579	and	3.0m @ 1.23g/t Au from 78m
FE591		3.0m @ 14.7g/t Au from 87m
FE592		9.0m @ 7.9g/t Au from 87m
	incl.	3.0m @ 1.26g/t Au from 87m
	incl.	3.0m @ 20.5g/t Au from 90m
	and	3.0m @ 1.94g/t Au from 93m
FE595		3.0m @ 2.33g/t Au from 126m
FE606		3.0m @ 1.39g/t Au from 102m
FE608		3.0m @ 9.1g/t Au from 108m
FE626		1.5m @ 12.9g/t Au from 52.5m
FE648		1.5m @ 1.0g/t Au from 82.5m
FE649		4.5m @ 1.0g/t Au from 97.5m
FE663		3.0m @ 59g/t Au from 102m
	and	3.0m @ 7.0g/t Au from 102m
FE679		3.0m @ 2.86g/t Au from 75m
FE684		3.0m @ 2.57g/t Au from 84m
FE686		3.0m @ 1.23g/t Au from 120m
FE695		2.0m @ 1.45g/t Au from 91m
FE696		41m @ 3.87g/t Au from 76m
	incl.	6.0m @ 16.3g/t Au from 76m
	and	28m @ 2.03g/t Au from 90m
FE700		13m @ 2.60g/t Au from 135m
	incl.	5.0m @ 5.76g/t Au from 135m

2016 Intersections

FE711		1.0m @ 1.23g/t Au from 116m
FE712		9.0m @ 1.24g/t Au from 72m
FE713		8.0m @ 1.23g/t Au from 70m
FE715		1.0m @ 2.92g/t Au from 71m
FE716		3.0m @ 1.04g/t Au from 99m
FE717		9.0m @ 5.71g/t Au from 108m
FE718		3.0m @ 13.4g/t Au from 99m
FE719		18.0m @ 1.16g/t Au from 60m
	and	3.0m @ 9.2g/t Au from 147m
FE728		1.0m @ 6.24g/t Au from 85m
FE732		3.0m @ 154g/t Au from 96m
FE740		3.0m @ 1.55g/t Au from 54m
FERC026A		1.0m @ 4.88g/t Au from 97m
	and	4.0m @ 2.53g/t Au from 127m
FERC027		5.0m @ 2.71g/t Au from 100m
FERC028		1.0m @ 5.95g/t Au from 76m
FERC032		3.0m @ 2.22g/t Au from 129m
FERC033		4.0m @ 3.3g/t Au from 102m
FERC034		3.0m @ 11.2g/t Au from 127m
FERC037		1.0m @ 11.0g/t Au from 66m
FERC038		16.0m @ 2.0g/t Au from 80m
FERC039		2.0m @ 7.6g/t Au from 55m
	and	8.0m @ 3.7g/t Au from 66m
	inc	1.0m @ 12.35g/t from 66m
	inc	1.0m @ 10.05g/t Au from 71m
FERC041		4.0m @ 3.8g/t Au from 116m
	inc	1.0m @ 12.0g/t Au from 116m
FERC042		4.0m @ 4.0g/t Au from 65m
	inc	1.0m @ 14.3g/t Au from 67m
FERC043		10.0m @ 3.7g/t Au from 61m
	inc	2.0m @ 14.3g/t Au from 61m
FERC044		2.0m @ 19.2g/t Au from 93m
FERC045		2.0m @ 10.6g/t Au from 81m
FERC046		4.0m @ 1.33g/t Au from 70m
FERC047		2.0m @ 7.76g/t Au from 127m
FERC048		1.0m @ 1.1g/t Au from 107m
FERC049		1.0m @ 1.94g/t Au from 122m
FERC050		6.0m @ 2.7g/t Au from 97m
FERC052		5.0m @ 1.0g/t Au from 86m
FERC053		2.0m @ 1.42g/t Au from 114m
FERC054		2.0m @ 2.42g/t Au from 101m
FERC055		1.0m @ 9.4g/t Au from 111m
FERC056		5.0m @ 1.5g/t Au from 130m
FERC057		1.0m @ 4.4g/t Au from 73m
FERC058		5.0m @ 3.0g/t Au from 71m
FERC059		6.0m @ 2.8g/t Au from 106m
	inc	1.0m @ 9.6g/t Au from 106m
FERC060		1.0m @ 4.1g/t Au from 130m
FERC061		5.0m @ 2.6g/t Au from 73m
	inc	1.0m @ 8.5g/t Au from 73m
FERC062		2.0m @ 2.2g/t Au from 107m
FERC064		1.0m @ 4.79g/t Au from 110m
FERC068		2.0m @ 1.5g/t Au from 101m
FERC080		1.0m @ 7.13g/t Au from 147m
FERC081		1.0m @ 1.22g/t Au from 142m
FERC085		16.0m @ 1.26g/t Au from 94m
	inc.	1.0m @ 9.54g/t Au from 109m
FERC088		1.0m @ 103.0g/t Au from 149m

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

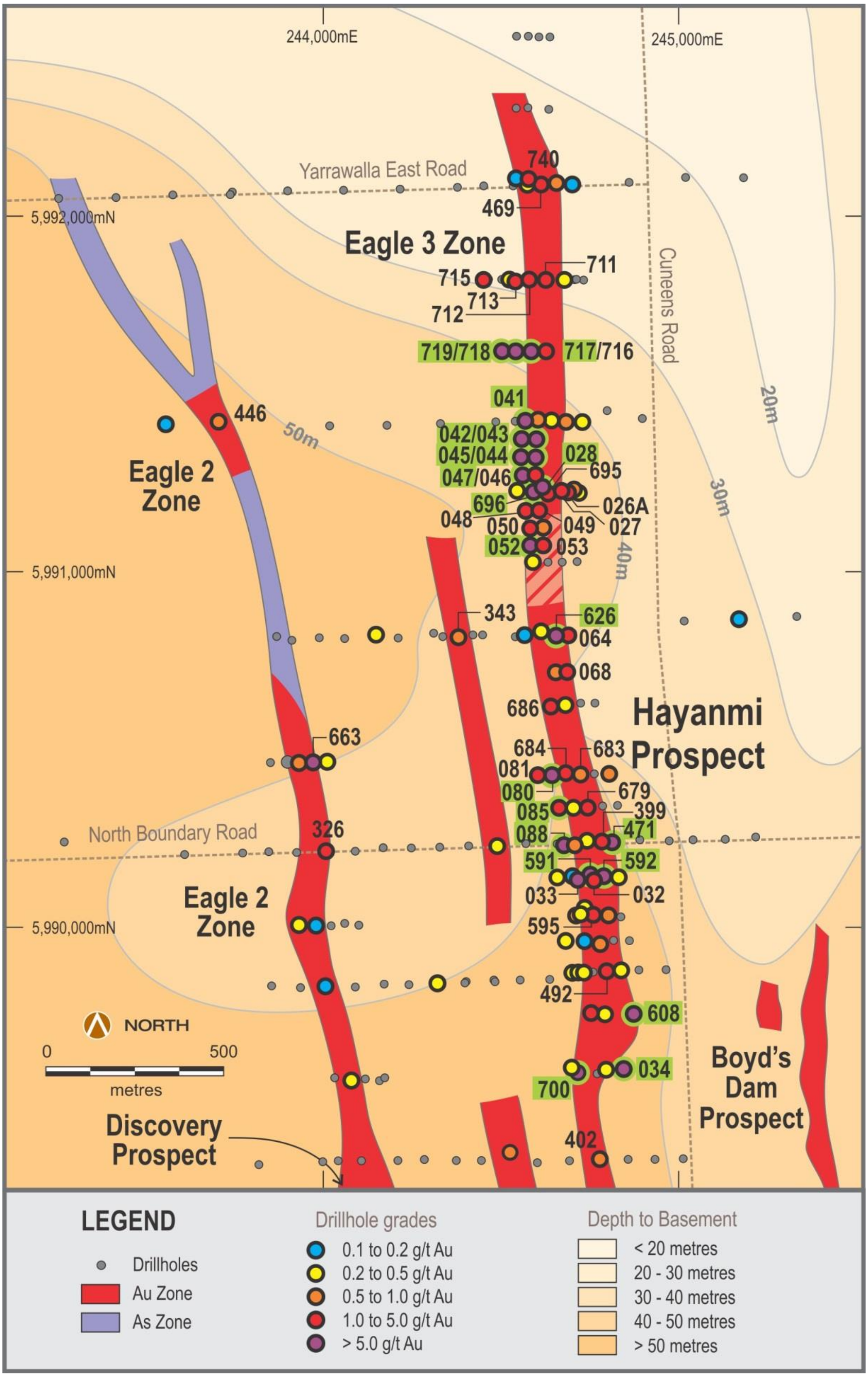

Figure 3: Hayanmi Prospect plan view showing gold trends and drill holes

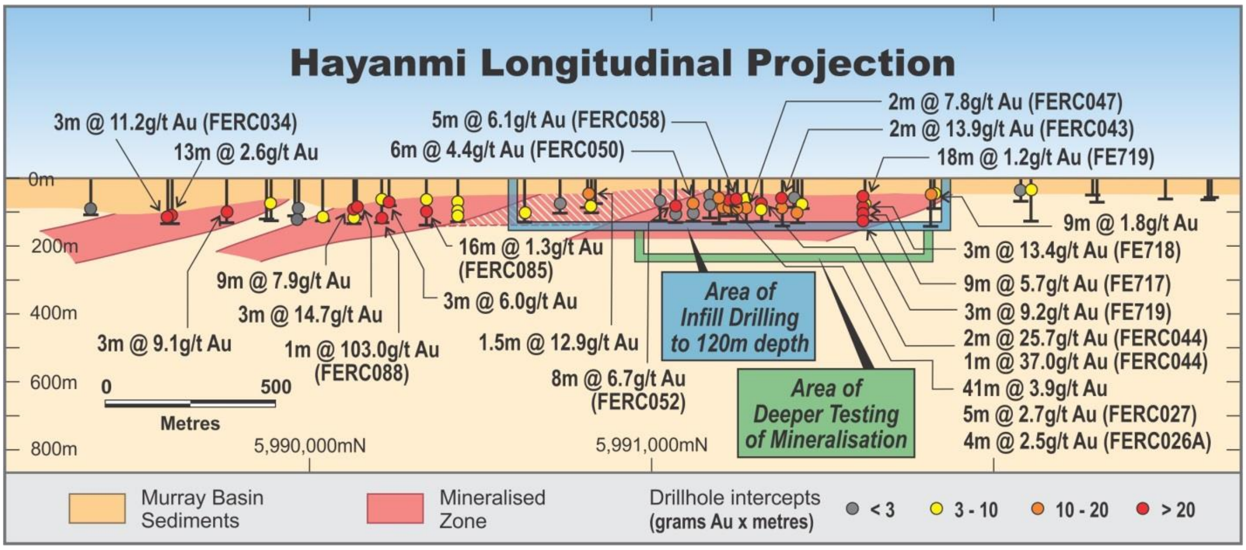

Figure 4: Longitudinal Projection of Hayanmi Prospect showing areas of drilling proposed for 2017. Interpreted plunges of gold mineralisation and recent drill intersections also shown

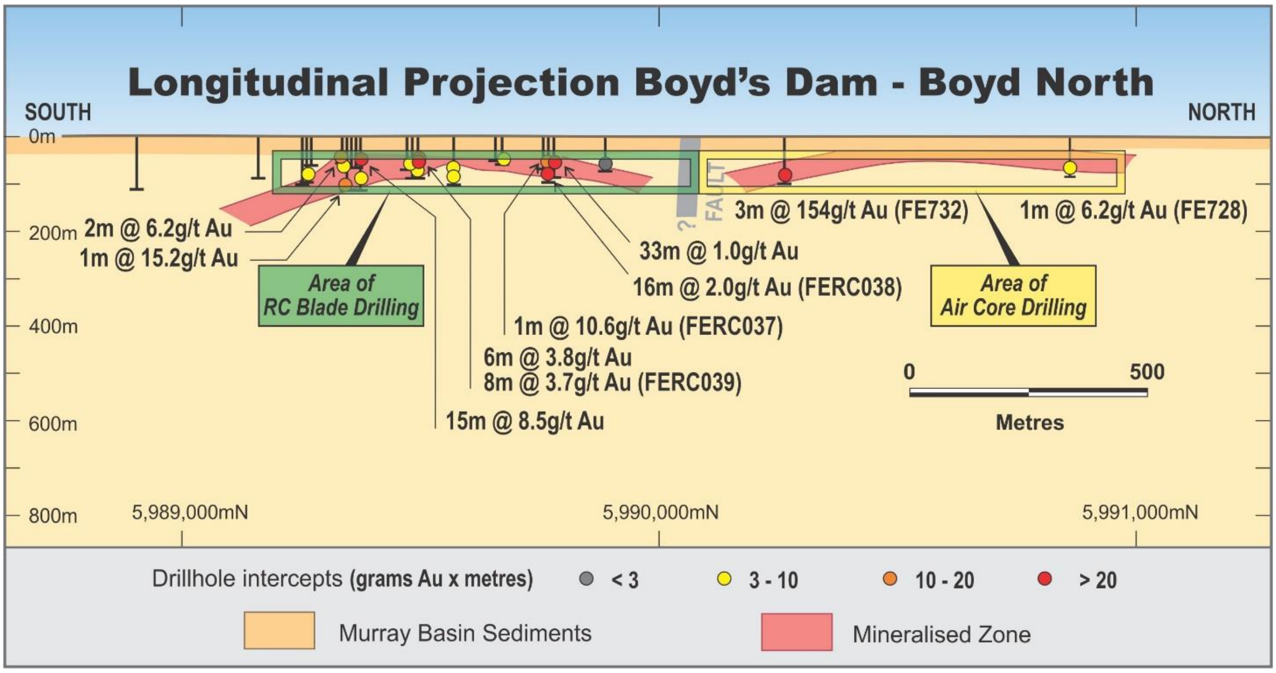

Figure 5: Longitudinal Projection of Boyd's Dam and Boyd North showing area of planned RC Blade/Hammer and Air Core drilling respectively.

Gravity Targets

Following the gravity survey in early 2016, geophysicists highlighted a number of structures that were very similar to those seen in the mineralised trends at Hayanmi, Boyd's Dam and Discovery but still lie within the favourable regional structure west of the Whitelaw Fault. Eight targets have been identified and air core drilling (approximately 3,500 metres) will be carried out over each one. The objective is to discover new gold deposits that enhance the prospectivity of the Four Eagles Gold Project. These gravity targets are shown on Figure 6.

METALLURGICAL RESULTS

Australian Minmet Metallurgical Laboratories Pty Ltd (**AMML**) was engaged to evaluate a 37 kilogram submission of sample from drill hole FE696 from the Hayanmi Prospect at the Four Eagles Gold Project. The selected interval of the drill hole was composited from 75 metres to 117 metres, consisting of all residual drill hole material. AMML stressed that one sample from a percussion hole may not be representative of the total deposit

The testwork indicated the following characteristics of Four Eagles gold mineralisation:

- Size distribution showed that 60% of the gold is finer than 75 microns (one micron equals one-millionth of a metre) which seems to accord with the assay experience between small and large samples. 26% of the gold was coarser than 150 microns.
- Recoveries were difficult to reconcile because of variations in head assays. Depending on the grind size, and method of calculation, they ranged from 73% to 97% with good recoveries achieved at a coarse grind size of 212 microns. Grinding to 75 microns did not significantly enhance recoveries.
- Gravity testwork indicated that 29.5% of the gold was recovered by a Knelson concentrator.

Overall, the results indicate that most of the gold could be leached during a 24-hour period and that a combination of gravity and cyanide leaching would produce good recoveries.

BULK LEACH ASSAYS COMPARED TO 25 GRAM ASSAYS

Approximately 700 samples from the 2016 drilling programme on Hayanmi and Boyd's Dam Prospects (Figures 2a, 2b) have been re-assayed by bulk leaching the total ±2 kilogram sample. These samples have been chosen because they contained anomalous gold when using a 25 gram sub-sample and an Aqua Regia digest followed by ICP-MS analysis. This provides an excellent check of the variability of gold at the Four Eagles Gold Project **which tends to be fine grained and shows a low "nugget effect"** compared to the Bendigo Goldfield.

Results of the bulk leach samples generally showed a good correlation with the smaller samples which suggests that most of the gold is finely divided. Because of the larger size sample, the bulk leach assays are usually considered to be more reliable.

BULK LEACH DATA VARIOGRAPHY

Following the receipt of all bulk leach data for the 2016 RC drilling programmes at both the Four Eagles and Tandarra Gold Projects, the Catalyst geologists undertook geo-statistical analysis of the data to determine the variography of gold assays. This methodology is used to gain an understanding of the "Nugget Effect" which measures the degree of variability of samples. For example, a gold deposit with no repeatability of assays would have an extreme nugget effect of 100% whereas a finely divided gold deposit with good reproducibility of assays would have very low nugget effect (say close to 0%). It should be emphasised that the analysis is somewhat limited in that it has used only downhole data rather than three-dimensional data of a resource block model.

The variography on the Four Eagles Gold Project shows a very low nugget effect of 16% which further supports the metallurgical result and the assay correlation between small and large samples. Analysis for the Tandarra drilling showed a higher nugget effect of 44% which is still acceptable in terms of mineable gold deposits. For context, it can be noted that several geostatistical investigations of the northern section of the New Chum line of reef at Bendigo gold mineralisation showed a much higher nugget effect of in excess of 90%.

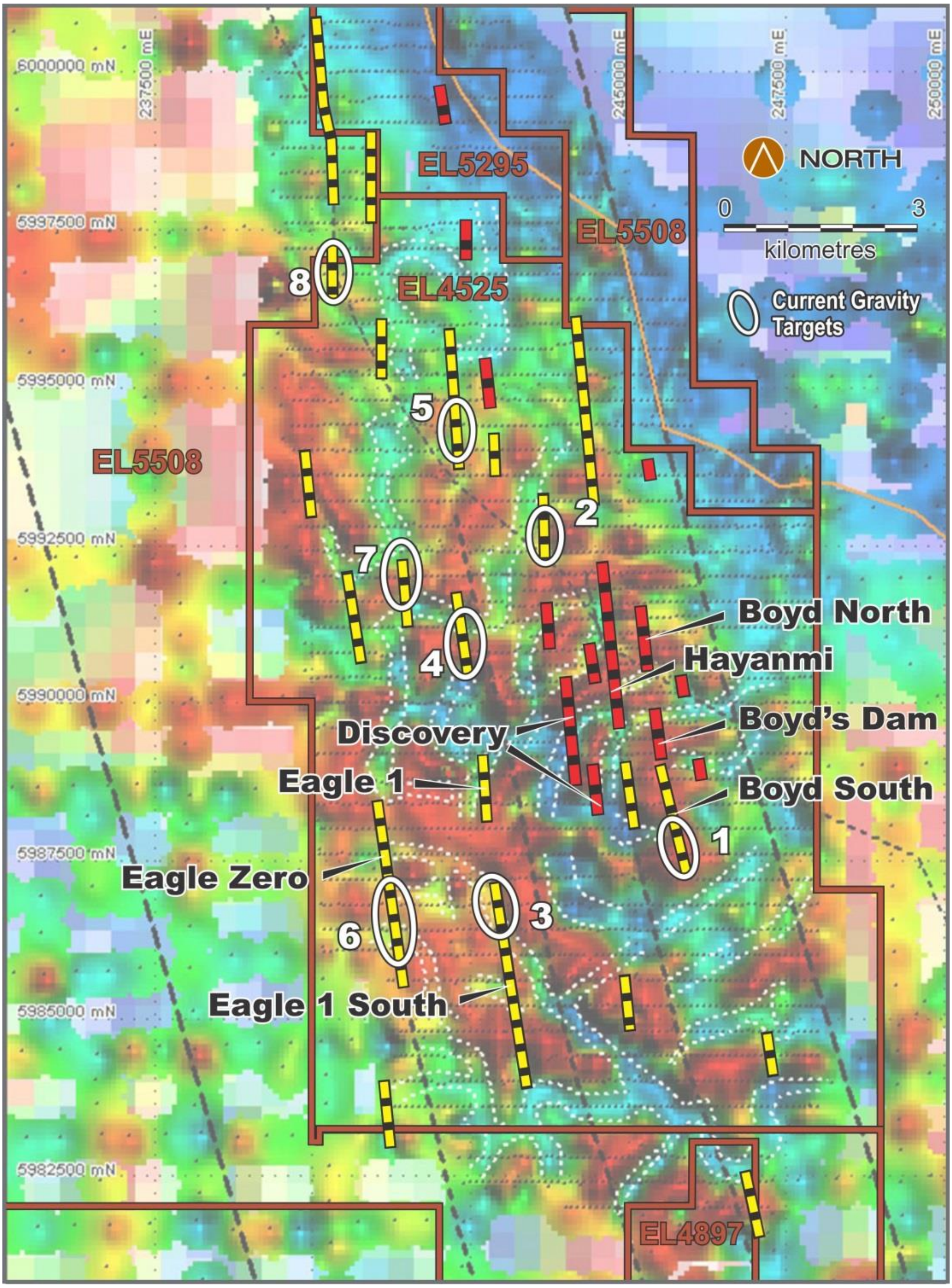

Figure 6: Gravity Geophysical Targets at Four Eagles Gold Project showing known mineralised structures (in red) and interpreted structures (in yellow)

MINERALISATION REPORT/RETENTION LICENCE APPLICATION

During the half year, Catalyst finalised the preparation of a Mineralisation Report on the Hayanmi and Boyd's Dam gold zones. The main purpose of this report is to satisfy Victorian Department of Economic Development, Jobs, Transport and Resources (**EcoDev**) regulations to demonstrate that gold mineralisation has been discovered and to form the basis of an application for a Retention Licence to replace the current Exploration Licence 4525. The Report has attempted to apply shapes to the zones of gold mineralisation and outline a ten-year programme of further exploration, scoping studies and possible feasibility studies. The Retention Licence application was lodged on 22 December 2016. The new RL006422 will take some time to be granted but EL4525 will remain in force in the interim.

The Mineralisation Report has also provided information on the possible plunge of the gold zones which has been used to enable more detail for the planning of the 2017 drilling programme.

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. In September 2016, the Company satisfied an initial two-year expenditure commitment by spending a minimum of $800,000 on the Tandarra Gold Project (Figures 7, 8a and 8b).

There were no field activities at Tandarra during the half year but further modelling of the gold mineralisation was undertaken on the Tomorrow Zone. This modelling is confirming a series of mineralised zones with a strike direction of 20 degrees west of north and a plunge to the south of about seven degrees. These interpreted shapes are shown diagrammatically on Figures 9 and 10. Future drilling at the Tomorrow Zone will focus on areas where high grades have been intersected at shallow depth and where potential exists down plunge. Future air core programmes in 2017 will also test the regional targets at Tandarra North and Dingee Zones (Figure 7).

It is likely that these programmes will commence in the June 2017 Quarter.

BULK LEACH ASSAYS COMPARED TO 25 GRAM ASSAYS

Previously, Tandarra samples had been assayed only by bulk cyanide leaching so there was no data on the reproducibility of assays. In 2016, Catalyst used the same assay methodology as applied at Four Eagles on RC drill samples in order to gain a better understanding of grade variability at the Tandarra Gold Project. As above, RC samples were initially assayed by using a 25 gram sub-sample subjected to an aqua regia leach and ICPMS assay. Any anomalous samples were then subjected to a bulk cyanide leach of the total ±2 kilogram sample. Approximately 500 samples were re-assayed in this manner and showed good correlation between assays from small and large samples. Individual Bulk Leach assays were usually slightly higher than the small 25 gram sample and only a few samples from the 510 samples assayed showed a poor comparison. This supports the view that Tandarra gold mineralisation has a lower nugget variability compared to Bendigo.

CASTLEMAINE JOINT VENTURE: RAYDARRA (EL5266)

No fieldwork was undertaken on EL5266 during the half year and the review of the 2016 drilling data suggests that the basement depth and low gold arsenic geochemistry in the northern section of the **Raydarra Licence** (Figure 1) is likely to preclude further exploration activity. There is still some potential at the southern end of the licence.

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

There was no field activity on these Exploration Licences but assessment of 2016 drilling results continued in preparation for future drilling programmes. Further air core drilling is likely in 2017 to test a shallow basement area (<25 metres deep) on EL5521 (Macorna Bore) north of Pyramid Hill where anomalous arsenic geochemistry suggests that the Whitelaw Tandarra Fault Gold Corridor could be in proximity. Testing of the ten kilometre zone north of the Sebastian gold deposit on EL5533 will also be carried out.

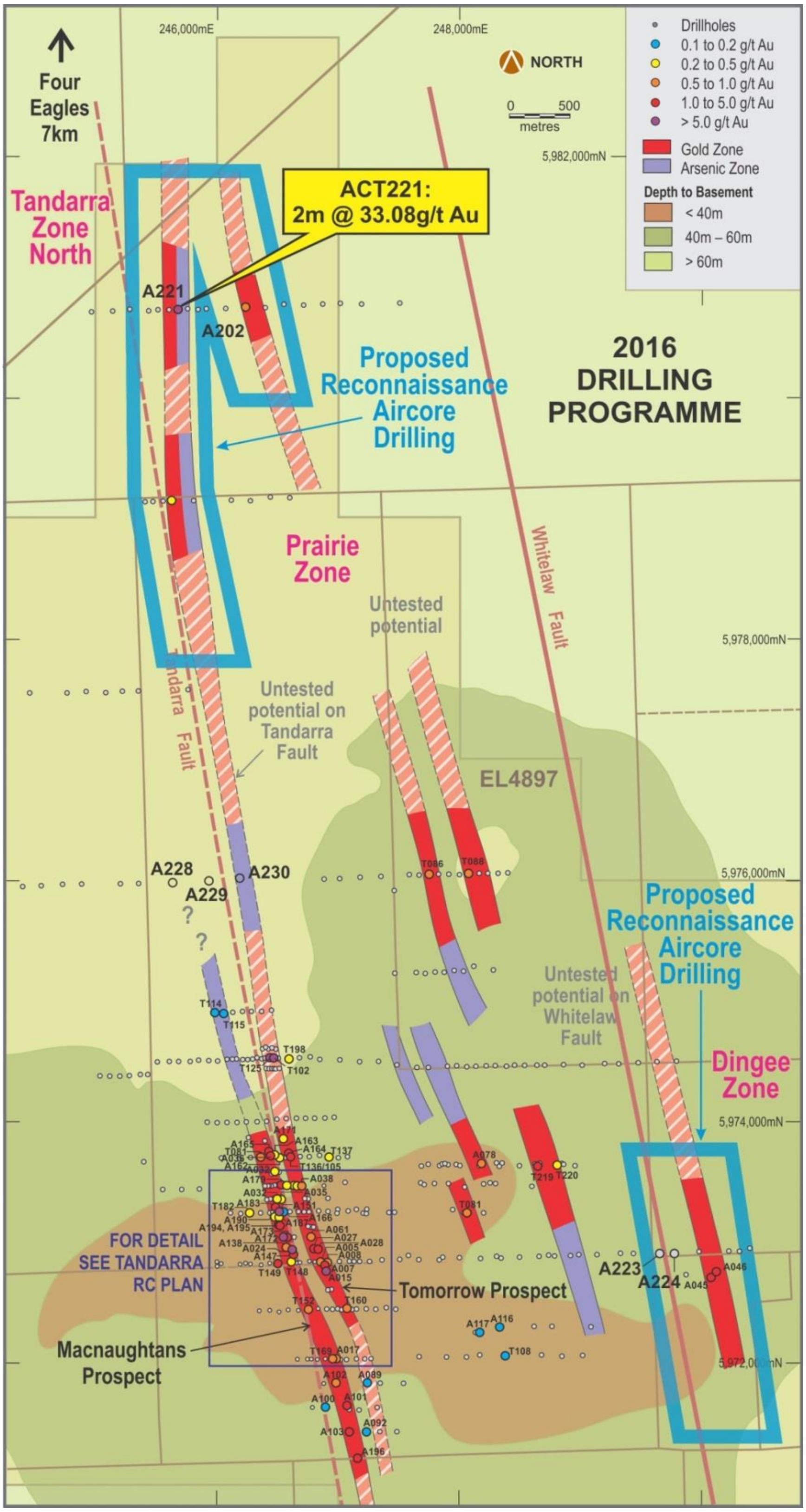

Figure 7: Tandarra Gold Project showing gold zones and areas of proposed reconnaissance drilling

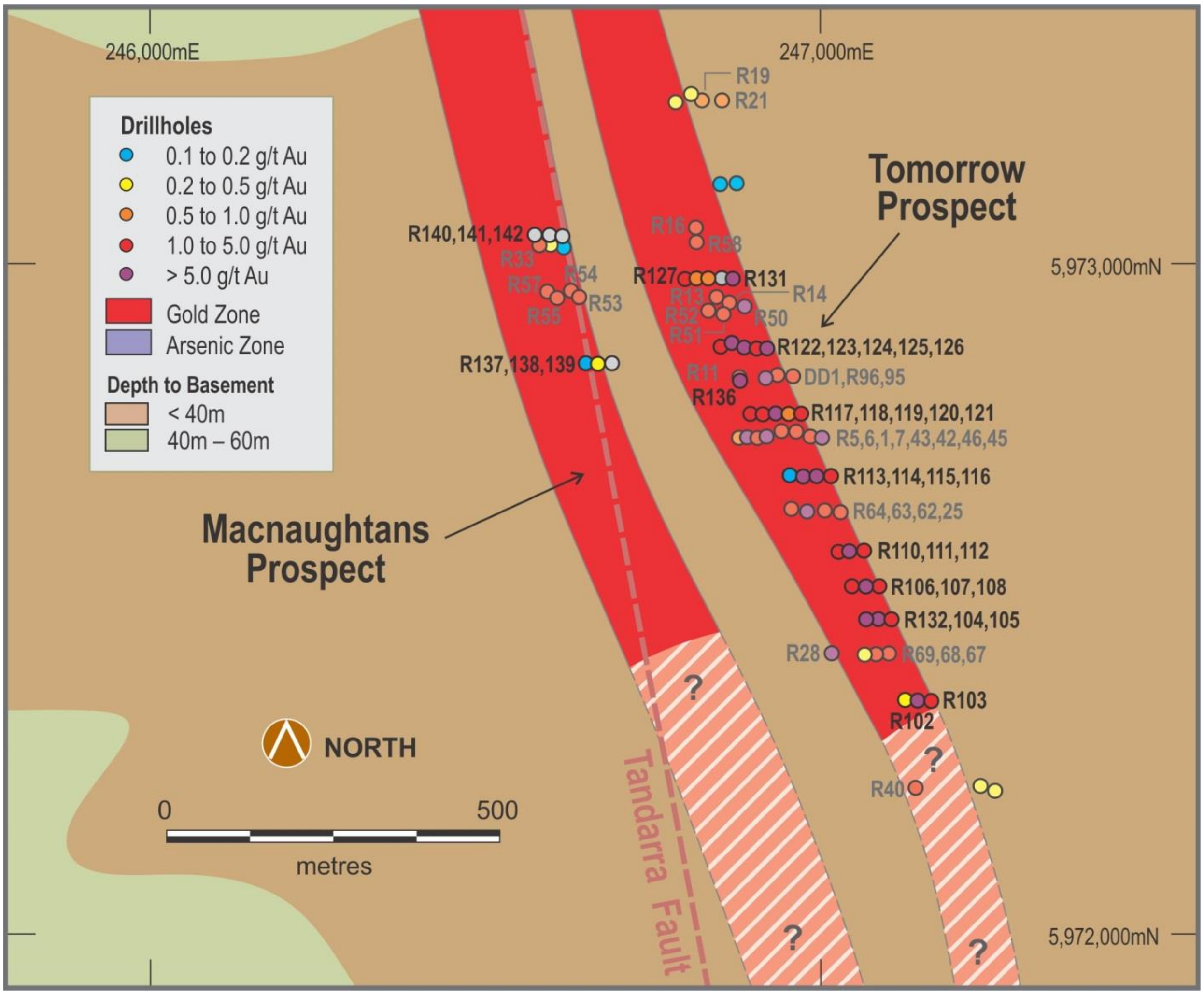

Figure 8a: Tomorrow and Macnaughtans Gold Trends showing location of recent RC drillholes (shown in dark highlight). Significant intersections are tabulated on Figure 8b.

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 @ 6.2g/t Au from 61m	RCT124		1.0m @ 13.0g/t Au from 62m
RCT104		4.0m @ 11.3g/t Au from 54m	RCT126		1.0m @ 30.2g/t Au from 82m
RCT107		5.0m @ 15.6g/t Au from 106m	RCT131		3.0m @ 5.8g/t Au from 64m
RCT111		10m @ 6.1g/t Au from 74m	RCT132		2.0m @ 14.3g/t Au from 54m
	and	23m @ 2.3g/t Au from 90m		and	3.0m @ 3.8g/t Au from 73m
RCT115		2.0m @ 14.3g/t Au from 79m	RCT136		1.0m @ 7.9g/t Au from 29m
RCT119		7.0m @ 2.8g/t Au from 73m		and	6.0m @ 5.2g/t Au from 51m

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

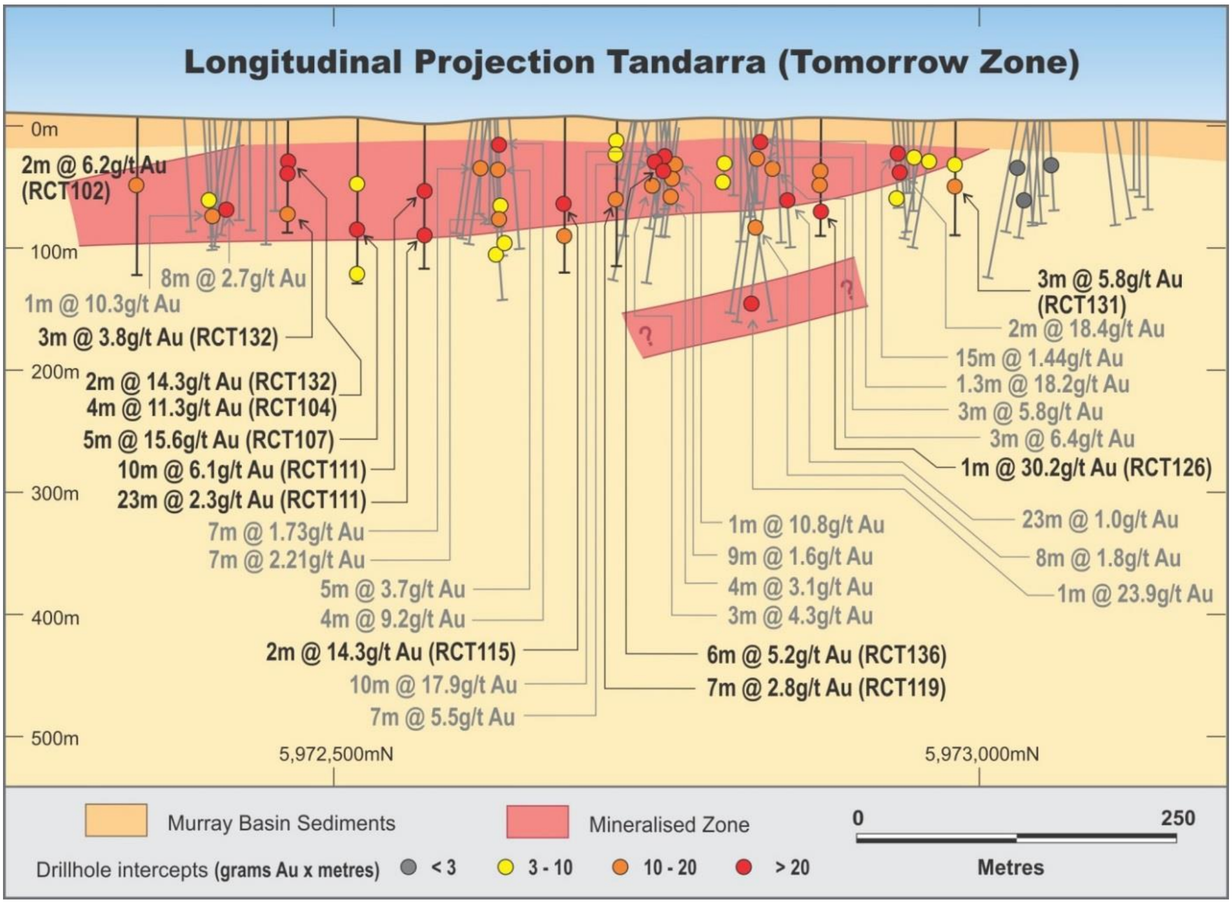

Figure 9: Longitudinal Projection of the Tomorrow Zone showing area of RC Blade Drilling

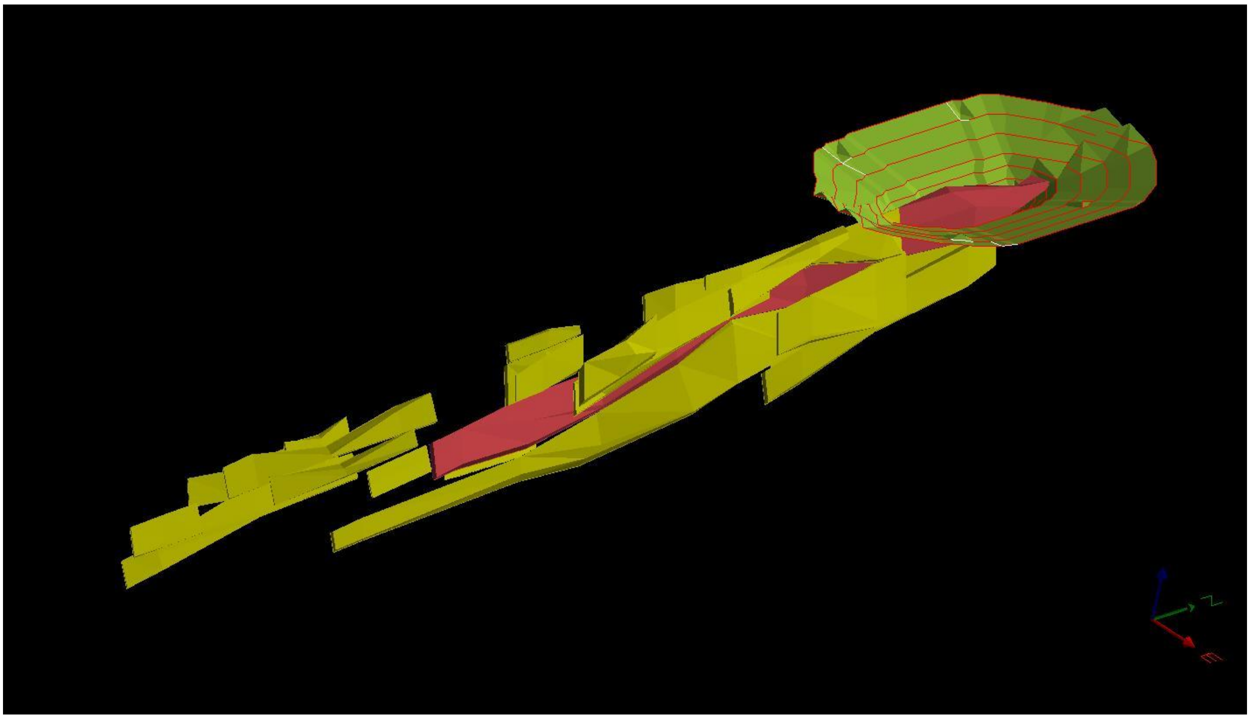

Figure 10: Tomorrow Gold Zone showing interpreted shapes of gold mineralisation seen on longitudinal section in Figure 9

CORPORATE

The annual general meeting of the Company was held on 16 November 2016 and all resolutions were carried unanimously on a show of hands.

RESULTS OF OPERATIONS

The operating loss after income tax of the Group for the half-year ended 31 December 2016 was $518,472 (2015: $462,535).

The Company's basic loss per share for the period was 0.94 cents (2015: loss of 0.88 cents per share).

No dividend has been paid during or is recommended for the financial period ended 31 December 2016.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 immediately follows the Directors' Report.

This report has been made in accordance with a resolution of the Board of Directors.

Stephen Boston
Chairman

Dated: 16 March 2017

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.

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Catalyst Metals Limited for the half-year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

RSM
RSM AUSTRALIA PARTNERS

AWhyte

Perth, WA
Dated: 16 March 2017

ALASDAIR WHYTE
Partner

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2016

	Note	31 December 2016 $	30 June 2016 $
Current Assets			
Cash and cash equivalents	5	916,469	1,460,562
Trade and other receivables		24,721	76,880
Total Current Assets		941,190	1,537,442
TOTAL ASSETS		941,190	1,537,442
Current Liabilities			
Trade and other payables		138,483	254,109
Other - advances	6	171,795	360,202
Total Current Liabilities		310,278	614,311
TOTAL LIABILITIES		310,278	614,311
NET ASSETS		630,912	923,131
Equity			
Contributed equity	7	11,144,571	10,933,680
Share based payments reserves		243,370	228,008
Accumulated losses		(10,757,029)	(10,238,557)
TOTAL EQUITY		630,912	923,131

The accompanying notes form part of this financial report

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
For the Half-Year Ended 31 December 2016

	31 December 2016 $	31 December 2015 $
Revenue	111,363	9,417
Expenses		
Professional fees	(97,958)	(71,200)
Administration costs	(35,434)	(27,255)
Personnel	(301,091)	(103,907)
Corporate costs	(122,018)	(100,200)
Exploration and evaluation expenditure written off	(73,334)	(169,390)
Loss before income tax expense	(518,472)	(462,535)
Income tax expense	-	-
Loss for the half year	(518,472)	(462,535)
Other comprehensive income	-	-
Total comprehensive loss for the half year	(518,472)	(462,535)
Total comprehensive loss attributable to members of the company	(518,472)	(462,535)
Basic loss per share (cents per share)	0.94	0.88
Diluted loss per share (cents per share)	0.94	0.88

The accompanying notes form part of this financial report.

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Half-Year Ended 31 December 2016

	Contributed Equity $	Accumulated Losses $	Reserves $	Total $
Balance at 1 July 2015	**9,599,786**	**(9,139,717)**	**228,008**	**688,077**
Total comprehensive loss for the period	-	(462,535)	-	(462,535)
Transactions with owners in their capacity as owners:				
Issue of shares	600,000	-	-	600,000
Balance at 31 December 2015	**10,199,786**	**(9,602,252)**	**228,008**	**825,542**
Balance at 1 July 2016	**10,933,680**	**(10,238,557)**	**228,008**	**923,131**
Total comprehensive loss for the period	-	(518,472)	-	(518,472)
Transactions with owners in their capacity as owners:				
Issue of shares	210,891	-	-	210,891
Share based payments	-	-	15,362	15,362
Balance at 31 December 2016	**11,144,571**	**(10,757,029)**	**243,370**	**630,912**

The accompanying notes form part of this financial report

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Half-Year Ended 31 December 2016

	31 December 2016 $	31 December 2015 $
Cash Flows from Operating Activities		
Payments to suppliers, contractors and employees	(430,278)	(220,915)
Interest received	5,427	9,417
Payments for exploration and evaluation	(73,334)	(169,390)
Receipt of R&D incentive	105,936	-
Net cash flows used in operating activities	(392,249)	(380,388)
Cash Flows from Investing Activities		
Net cash flows used in investing activities	-	-
Cash Flows from Financing Activities		
Proceeds from issue of shares	25,391	515,000
Farm in advances expended	(177,235)	(414,102)
Net cash flows (used in) / from financing activities	(151,844)	100,898
Net decrease in cash and cash equivalents	(544,093)	(279,990)
Cash and cash equivalents at the beginning of the half-year	1,460,562	1,334,945
Cash and cash equivalents at the end of the half-year	916,469	1,054,955

The accompanying notes form part of this financial report.

1. BASIS OF PREPARATION

This general purpose financial report for the half-year reporting period ended 31 December 2016 has been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures the financial report compliance with International Financial Reporting Standard IAS 34: Interim Financial Reporting.

The half-year report does not include full disclosures of the type normally included in an annual financial report. It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2016 and any public announcements made by Catalyst Metals Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

New and Revised Accounting Standards

The consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the entity's accounting policies.

2. SEGMENT INFORMATION

The Company operates in one business and geographical segment being mineral exploration in Australia.

3. EVENTS AFTER REPORTING DATE

On 15 March 2017 the directors executed a Share Subscription Agreement (**SSA**) to raise $1,500,000 from St Barbara Limited, with settlement and allotment of shares occurring on 16 March 2017. Under the terms of the SSA, St Barbara Ltd will not dispose of its shares in Catalyst Metals Limited within 12 months of the settlement date without the consent of the Company.

Other than the above there are no items, transactions or events of a material and unusual nature likely, in the opinion of the Directors, to affect significantly, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

4. CONTINGENCIES

The Company does not have any contingent assets or contingent liabilities as at 31 December 2016.

	31 December 2016 $	30 June 2016 $
5. CASH AND CASH EQUIVALENTS		
Cash at bank	916,469	1,460,562

The cash at bank as at 31 December 2016 includes $185,425 (30 June 2016: $459,418) held in trust by Catalyst Metals Ltd's subsidiary, Kite Gold Pty Ltd and advanced by Gold Exploration Victoria Pty Ltd (**GEV Pty Ltd**) as funds provided in advance for exploration expenditure on the Four Eagles Gold Project in accordance with the Farm-In and Joint Venture Agreement signed by Catalyst Metals Ltd, Kite Gold Pty Ltd, GEV Pty Ltd and Providence Gold and Minerals Pty Ltd on 9 March 2015 (refer Note 6).

	31 December 2016 $	30 June 2016 $
6. ADVANCES		
Advances from Option Holders	-	11,172
Opening balance of Advance from GEV Pty Ltd	349,030	246,928
Advances received from GEV Pty Ltd	-	1,407,565
Exploration expenditure	(177,235)	(1,305,463)
Closing balance of Advance from GEV Pty Ltd	171,795	349,030
	171,795	360,202

The Advance from GEV Pty Ltd relates to monies advanced to Kite Gold Pty Ltd for its contribution to exploration expenditure on the Four Eagles Gold Project. The balance at 31 December 2016 reflects expenditure that has not yet been incurred. This amount is a timing difference that will be reduced to nil once all proceeds advanced by GEV Pty Ltd have been expended. Under the Farm-In Agreement, GEV Pty Ltd will sole fund up to $4.2 million on exploration at the Four Eagles Gold Project to earn up to 50% of the Project. GEV Pty Ltd has already earned 25% and is spending a further $2.1 million to earn a further 25% of the Project.

			31 December 2016		30 June 2016	
			Number	**$**	**Number**	**$**
7.	**CONTRIBUTED EQUITY**					
(a)	***Share capital***					
	Ordinary shares					
	Fully paid	(c)	55,129,785	11,144,571	54,729,004	10,933,680
(b)	***Other equity securities***					
	Options - Listed	(d)	2,572,403	-	-	-
	Options – Unlisted	(e)	1,100,000	-	-	-
	Performance Rights - Unlisted	(f)	-	-	350,000	-
	Total contributed equity			11,144,571		10,933,680

(c) Movements in Ordinary Shares

Details	**Number of Shares**	**Issue Price**	**$**
Balance at 30 June 2016	54,729,004		10,933,680
Issue of shares – exercise of options	50,781	$0.50	25,391
Issue of shares – vesting of perf. rights	350,000	$0.53	185,500
Balance at 31 December 2016	55,129,785		11,144,571

(d) Movements in Listed Options

Details	**Number of Options**	**Issue price**	**$**
Balance at 30 June 2016	2,623,184		-
Exercised during period	(50,781)		-
Balance at 31 December 2016	2,572,403		-

The listed options have an exercise price of $0.50 per option expiring on 30 June 2018.

(e) Movements in Unlisted Options

Details	**Number of Options**	**Issue price**	**$**
Balance at 30 June 2016	-		-
Issued – 1 August 2016	100,000		-
Issued – 7 November 2016	1,000,000		-
Balance at 31 December 2016	1,100,000		-

(f) Movement in Unlisted Performance Rights

Details	**Number of Rights**	**Issue price**	**$**
Balance at 30 June 2016	350,000		-
Vested during period	(350,000)		-
Balance at 31 December 2016	-		-

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes:
   a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001; and
   b. give a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Stephen Boston
Chairman

Dated: 16 March 2017

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
CATALYST METALS LIMITED

We have reviewed the accompanying half-year financial report of Catalyst Metals Limited which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Catalyst Metals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Catalyst Metals Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Catalyst Metals Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS

AWhyte

Perth, WA
Dated: 16 March 2017

ALASDAIR WHYTE
Partner