



ASX ANNOUNCEMENT

25 JULY 2018

CATALYST COMMENCES AIR CORE DRILLING ON 100% OWNED DRUMMARTIN LICENCE

- Reconnaissance air core drilling commences on Drummartin EL6507
- Drummartin located on northern extension of major Fosterville Faults
- Initial drilling based on regional gravity interpretation
- First drilling programme in 671 square kilometre licence

Catalyst Metals Limited (**Catalyst** or the **Company**) (ASX: **CYL**) advises that it has commenced a reconnaissance air core drilling programme at its large 100% owned Drummartin Exploration Licence EL6507, located north east of Bendigo in Victoria. As shown on Figure 1, the Drummartin Exploration Licence is situated on the northern extension of the Drummartin, Fosterville and Redesdale Faults which are believed to be similar in nature and parallel to the Whitelaw Fault. Catalyst controls the entire Whitelaw Gold Belt and is continuing exploration at two greenfield discoveries (Four Eagles Gold Project and Tandarra Gold Project). The major faults at Drummartin are believed to be significant controls on the gold mineralisation at the Fosterville Gold Mine which has reported spectacular exploration success in the past two years.

The Company has undertaken an interpretation of regional gravity data and generated nine (9) initial targets for drilling (Figure 2). Initial drilling will be on selected targets in the western portion of the Licence area with approximately 4,000 metres of drilling planned on five targets. Drill holes will be drilled about 300 metres apart along east west traverses and will be drilled to refusal. There has been virtually no previous exploration in this area so this drilling programme will provide valuable initial information for a better understanding of basement depth and any arsenic geochemical trends which may be present.

Mr Bruce Kay, Catalyst's Technical Director, stated, "It is exciting that we will be drilling in areas with no previous exploration along strike from the Fosterville gold mine but this is the first stage of reconnaissance drilling in a large area of 671 square kilometres and so initial results are expected to provide general information to assist in formulating a geological understanding of the area and be more interpretive in nature."

For further information contact:

Steve Boston
Chairman
Telephone: +61 409 574 515

Bruce Kay
Technical Director
+61 400 613 180

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.

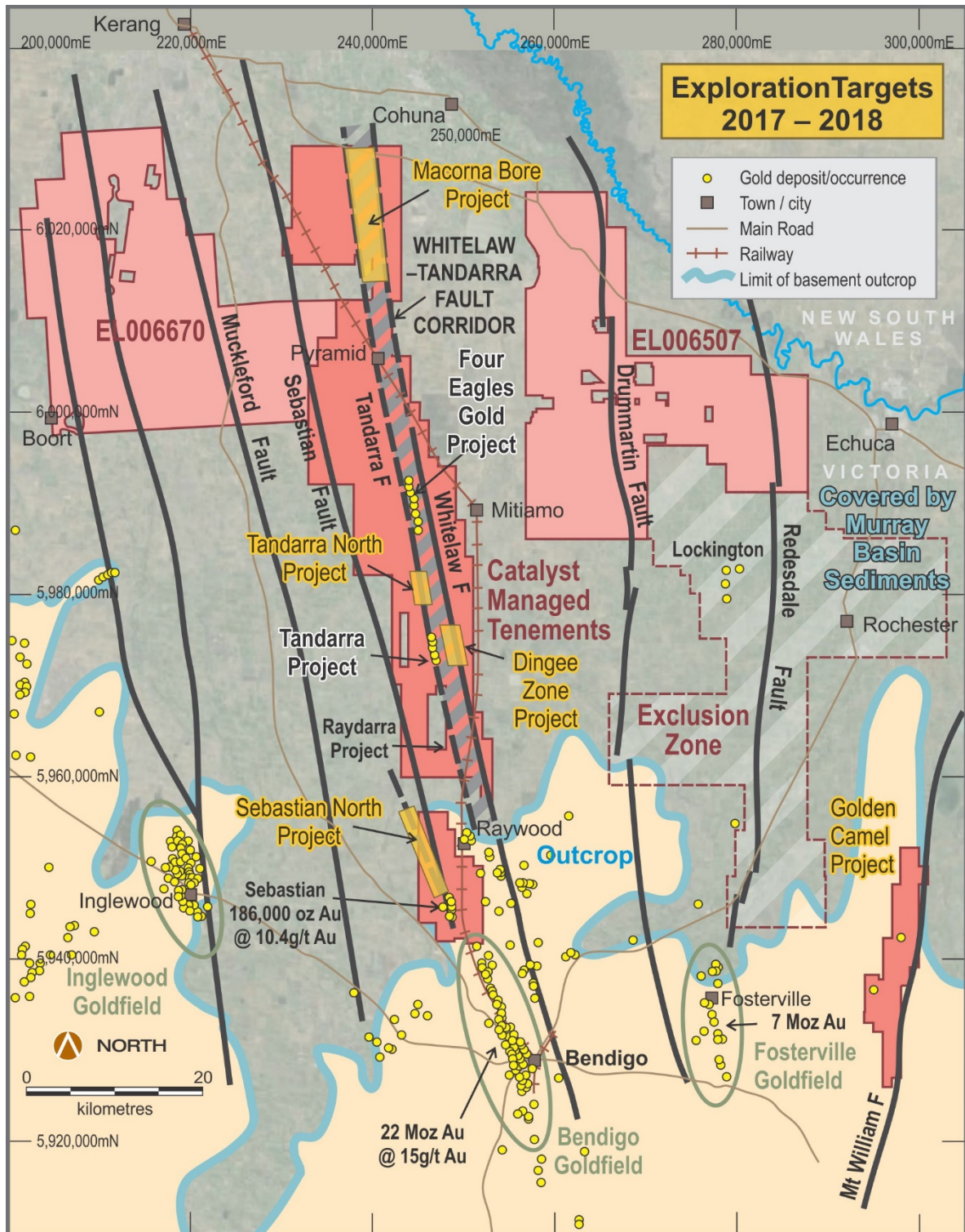


Figure 1: Whitelaw Gold Belt Tenement Holdings showing major Catalyst managed projects

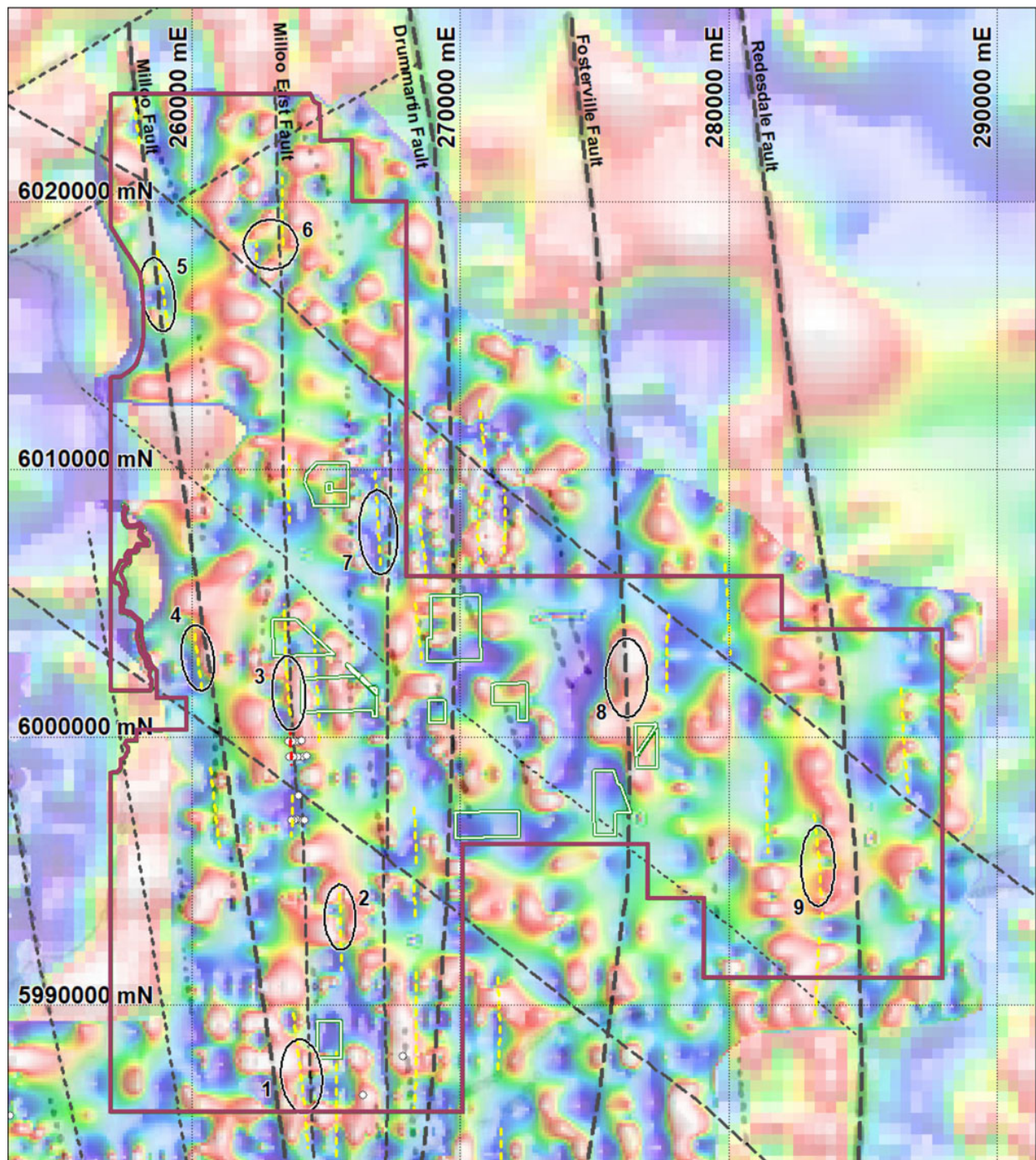


Figure 2: Drummartin Exploration licence EL6507 showing gravity interpretation and targets for initial drilling