

DECEMBER 2022 QUARTERLY REPORT

Production up, costs down, strong exploration results, M&A underway

HIGHLIGHTS

HENTY GOLD MINE

- Pivotal quarter at Henty saw significant gains in all key metrics, reflecting ongoing progress since project was acquired two years ago
- AISC for the quarter was \$1,997/oz (Sept quarter: \$2,658)
- Gold production for the quarter was 6,793oz (Sept quarter: 5,923oz); realised gold price of \$2,637/oz
- Processed 57,673 tonnes at 4.0 g/t Au with recovery at 90.7%
- Announced maiden Henty Ore Reserve of 115,000oz

BENDIGO EXPLORATION AND DEVELOPMENT

- 2022-23 exploration program commenced with aim of finding the extension of the historic Bendigo goldfield, Victoria
- Diamond drilling currently occurring at Boyd's Dam; air core and RC drilling at Hayanmi
- Maiden Resource for Boyd's Dam (one of five prospects near to the main target area) was delayed due to flooding; final holes awaiting assay results before finalisation in Q1 2023
- Works Plan submitted to the Victorian Government seeking regulatory approval to establish an underground exploration tunnel; several meetings held with government to assist with the approval process

CORPORATE

- Post 31 December 2022, Catalyst announced an Off-Market Takeover Offer for ASX-listed Vango Mining Ltd (Vango); Vango Shareholders with ~73% of all Vango Shares have either accepted the Offer, or indicated an intention to accept the Offer in the absence of a superior proposal
- \$18.6m cash in bank as at 31 December 2022

VICTORIAN EXPLORATION PROGRAMS

Exploration continued in Victoria at Four Eagles (Figure 1) with one air core rig, one RC rig, and one diamond drill rig. Progress was delayed from mid-October to mid-November due to the unseasonal rains experienced across southeast Australia.

Exploration expenditure during the quarter at Catalyst's Victorian tenements was \$1.1m (100%).

FOUR EAGLES

The Boyd's Dam diamond drilling program through the quarter was focussed on the deeper extensions of the main structural position down-dip of the shallow Boyd's Dam mineralisation. These are the final holes to be incorporate into the pending Resource estimate at Boyd's Dam.

The air core and RC drilling programs focused on the Hayanmi prospect and the intervening zone to the east towards Boyd's Dam.

Significant rainfall across the Bendigo region led to an interruption in activity during the quarter and there have been no new reportable assay results. As a result, resource estimation of down-dip targets at Boyd's Dam have been delayed, and it is anticipated that this body of work will continue as holes are completed and assays are returned in parallel with the Hayanmi resource development RC program.

REGIONAL EXPLORATION

There was no field activity outside of the Four Eagles retention license area during the quarter.

VICTORIAN EXPLORATION PROGRAM FOR MARCH QUARTER 2023

In the March quarter, drilling activities will continue on prospective areas deemed to carry strong potential for mineralisation. At Four Eagles, these include several areas in the vicinity of the proposed exploration tunnel: Hayanmi, Boyd's Dam, and the areas between and to the south (Figure 2). At Tandarra, drilling will be at the Macnaughtan prospect.

Resource estimation work will continue on drillhole data as it becomes available for Boyd's Dam and Hayanmi, where it is envisioned that Catalyst will deliver a JORC compliant mineral resource estimate.

Drilling in the 2023 field season is designed to add Inferred Resource at Hayanmi, Tomorrow, Macnaughtan, Pickles, as well as down-dip from the known mineralisation at Boyd's Dam.

PROJECT DEVELOPMENT – FOUR EAGLES EXPLORATION TUNNEL

The Four Eagles Gold Project is situated along the Whitelaw Gold Corridor, which is considered to be a major structural control of gold mineralisation north of Bendigo. During the quarter, Catalyst achieved a significant milestone, lodging a Work Plan Application with the Victorian Government's Earth Resources Regulation (ERR) for the construction of a 3.6Km exploration tunnel. The exploration tunnel is important as it will provide better access for drilling and assessment of the Boyd's Dam and Hayanmi mineralised zones, and will provide Catalyst with an opportunity to explore deeper and more efficiently year-round. Catalyst has submitted the formal application to ERR and is anticipating feedback during the first half of 2023.

The submission of the Work Plan application is a critical first step in the approvals process, which will involve a thorough assessment of Catalyst's technical studies and designs. The submission is the culmination of an extensive stakeholder engagement program over the past nine months involving more than 50 briefing sessions, site meetings, kitchen table conversations and presentations with landowners, neighbours, community members, the Victorian Government, and other key stakeholders. Engagement will continue throughout the approvals process.

Reviews of technical and environmental studies are underway, and feedback from the relevant government bodies is anticipated in the first half of 2023 (see Figure 1).

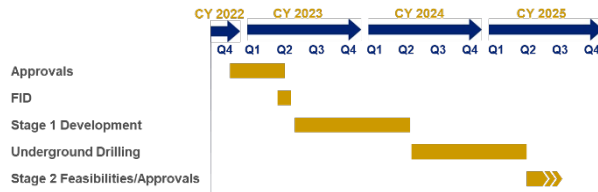


Figure 1 - Exploration Tunnel Project Milestones

Work continues on tendering the development underground and surface infrastructure works, for detailed project costing, in preparation for consideration of a Final Investment Decision (FID) by the Joint Venture partners later in 2023.

HENTY

Work completed during the quarter has been the culmination of heavy investment into Henty which has laid the foundation for growth plans and highlights the project's increasingly strong future.

Fundamental to that has been the lowering of operating costs, Resource growth, reporting of a maiden Ore Reserve and substantial investment in grade control drilling to 'sure up' future operations.

Each of these steps builds the underlying value of Henty.

COSTS

Operating performance for the quarter improved considerably.

All-in-Sustaining Cost (AISC) per ounce was \$1,997 compared to \$2,658/oz in the previous quarter. The decrease is due to the mining and processing of higher-grade ore during the Quarter.

With production stabilised, improved development rates and a longer mine life, cost reduction remains the key focus moving forward.

Henty has not been immune from the impact of rising input costs currently being experienced across Australia. The intention is for site unit costs to continue to fall as Henty continues to focus on costs and the impact of increased production comes into effect.

OPERATIONS

Mining operations delivered a significantly improved quarter for gold production with gold sales of 6,955oz. Production for the quarter was 6,763oz of gold at a grade of 4.0 g/t Au (Previous quarter: 5,923oz at 3.5g/t Au).

57,809 tonnes of ore were mined during the quarter compared to previous quarter of 48,790 tonnes (an 18% improvement). The ore was sourced from Darwin South (42%), Intermediate Zone (32%) and Mt Julia (18%) and Z96 (8%)

Mining performance was supported by a sustained improvement in the development rates. The single boom mining crew responsible for developing the narrow stoping areas had a meaningful contribution. This was further enhanced by the hiring of a replacement jumbo.

57,673 tonnes of ore were processed at a head grade of 4.02 g/t (Previous quarter 57,474t @3.5g/t). Recovery for the quarter was 90.7% (down from 91.8%).

Manning improved substantially as the impact of COVID diminished. The new LOM plan, showing a clear path to five years of production, prompted a review of the mobile maintenance and replacement strategy which is underway.

SAFETY

Henty recorded one Lost Time Injury and a total two recordable injuries for the quarter. The Lost

Time Injury Frequency Rate (TRIFR) (Figure 2) stands at 11.5 at quarter end and Total Recordable Injury Frequency Rate of 20.2 (Refer to Figure 3).

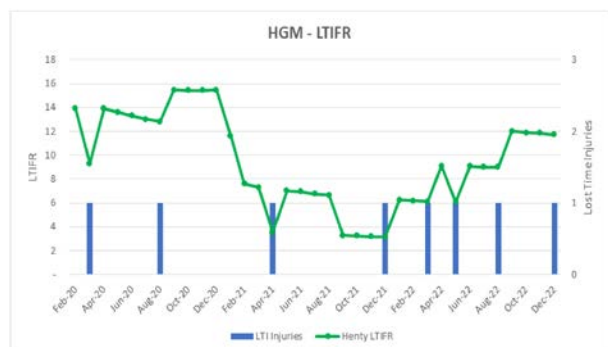


Figure 2 - Henty LTIFR showing rolling 12-month period

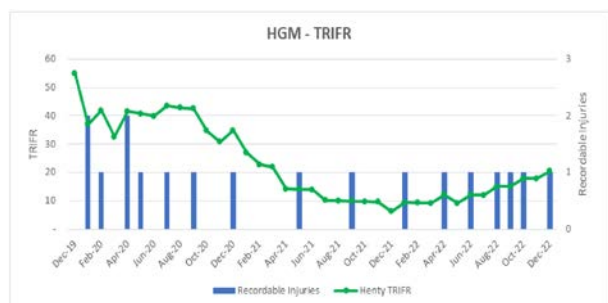


Figure 3 - Henty TRIFR showing rolling 12-month period

MAIDEN ORE RESERVE

During the quarter, Catalyst released its maiden Ore Reserve for Henty (see announcement 10 November). The Ore Reserve has been reported in accordance with the JORC Code and is shown in the table below.

The reporting of a maiden Ore Reserve is an important milestone in Catalyst upgrading the quality of Henty as an operation and delivering on its original investment plan when it acquired the asset two years ago.

Table 1: Henty Mineral Resource Estimate

JORC Classification	Tonnage (kt)	Au (g/t)	Ounces (koz)
Proved	-	-	-
Probable	983	3.6	115
Total	983	3.6	115

UNDERGROUND EXPLORATION

There were four underground drill rigs operating at Henty during the quarter, completing a total of 19,177m (previous quarter 15,853m). Capitalised drilling totalled 13,472m of which 9,168m was exploration. Exploration expenditure at Henty in the quarter was \$2.2m.

Exploration results continue to show potential to increase Resources outside existing shells, and potential to delineate Resources in new areas not previously considered.

Intercepts greater than 25gm/t, from drilling in the quarter are shown in Table 2.

Table 2: Drilling intercepts greater than 25gm/t

Zone	Intersection
Darwin Central	2.0m @ 70.2g/t
Darwin North	11.3m @ 11.3g/t 6.6m @ 17.7g/t 8.7m @ 8.7g/t 10.6m @ 6.5g/t 7.2m @ 6.6g/t 5.3m @ 7.6g/t
Darwin South	3.6m @ 39.2g/t
Intermediate	7.1m @ 4.1g/t
Mt Julia	8.3m @ 11g/t 5.2m @ 5.4g/t
Newton	7.2m @ 4.7g/t
Zone 96	11.5m @ 22.8g/t 3.2m @ 21.9g/t 5.8m @ 13.1g/t 3.9m @ 10.2g/t 2.4m @ 13.2g/t 3.9m @ 8.2g/t 5.0m @ 6.1g/t 1.6m @ 16.6g/t 2.2m @ 11.6g/t

Table 3 – Quarterly Cash Costs

Cost Summary	March 2022 Qtr	June 2022 Qtr	September 2022 Qtr ¹	December 2022 Qtr ¹
Mining	1,602	1,270	1,443	1,117
Processing	287	268	251	328
Mine & General administration	220	191	188	202
Stockpile Movements	(129)	(135)	249	(36)
Cash Cost	1,980	1,594	2,131	1,611
Refining & Transport Costs	10	10	12	9
Royalties	103	175	147	154
Gold in Circuit movements	14	(44)	0	(29)
G&A Costs	95	113	66	53
Sustaining Capital	328	251	302	198
All-in Sustaining Costs	2,530	2,100	2,658	1,997

Table 4 – Key Operational Parameters

OPERATIONS	March 2022 Qtr	June 2022 Qtr	September 2022 Qtr	December 2022 Qtr
<i>Mining</i>				
Total Mined (t)	84,223	100,437	83,934	105,527
Ore Mined (t)	61,304	60,500	48,790	57,809
Mine Grade (g/t)	3.1	4.0	3.3	4.0
<i>Mill production</i>				
Processed (t)	57,847	56,672	57,474	57,673
Average Head Grade (g/t)	3.2	3.9	3.5	4.0
Recovery Gold (%)	91.3	94.2	92.2	90.7
Gold Produced (oz)	5,358	6,755	5,923	6,763
Gold Sold (oz)	5,004	6,780	5,974	6,955
Gold Price Realised (\$/oz)	2,594	2,632	2,521	2,641
Cash Cost (\$/oz)	1,980	1,594	2,131	1,612
AISC (\$/oz)	2,530	2,100	2,658	1,997
Silver Sold (oz)	4,580	5,932	4,753	6,373
Silver Price Realised (\$/oz)	36.7	29.0	28.1	34.0

¹ After by-product credits

CORPORATE

FINANCIAL

At the end of the December 2022 Quarter, the Company held cash reserves of \$18.1 million.

During the December 2022 Quarter, the Company made payments of:

- \$2.7 million for ongoing exploration and evaluation of the Company's existing exploration and mining projects (including capitalised and expensed expenditure);
- \$11.9 million for mining and production activities at the Henty gold mine; and
- \$0.2 million to related parties, comprising payments to directors for executive salaries, quarterly directors' fees and consulting fees paid to Messrs Kay and Boston for the provision of additional technical and management services to the Company. Payments were also made to Raisemetrex Pty Ltd, a company of which Mr Boston is a director, for the provision of an online platform for the administration of capital raisings and electronic communications with shareholders.

This announcement has been approved for release by the Board of Directors of Catalyst Metals Limited.

Investors and Media:

James Champion de Crespigny
Managing Director and CEO

Paul Armstrong
Read Corporate

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<i>Corporate summary (at 31 December 2022)</i>	
ASX trading code	CYL
Quoted shares (CYL)	98,456,148
Unquoted options	250,000
Unquoted performance rights	2,500,000
Postal address	PO Box 416 Subiaco, Western Australia 6904
Telephone	(+61) 8 6107 5878
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Website	www.catalystmetals.com.au

Figures & Diagrams

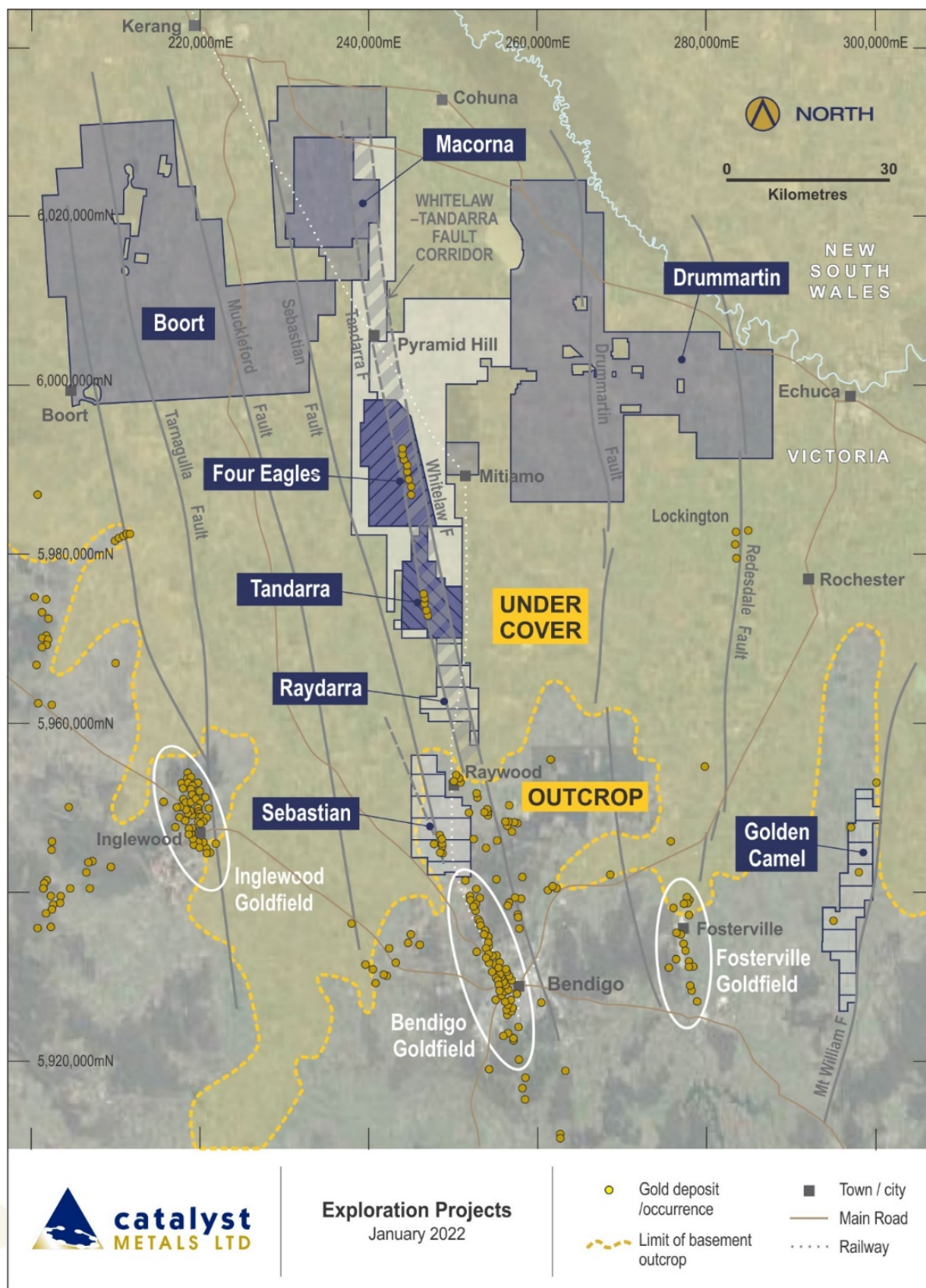


Figure 4: Whitelaw Gold Belt Tenement Holdings showing major Catalyst managed projects

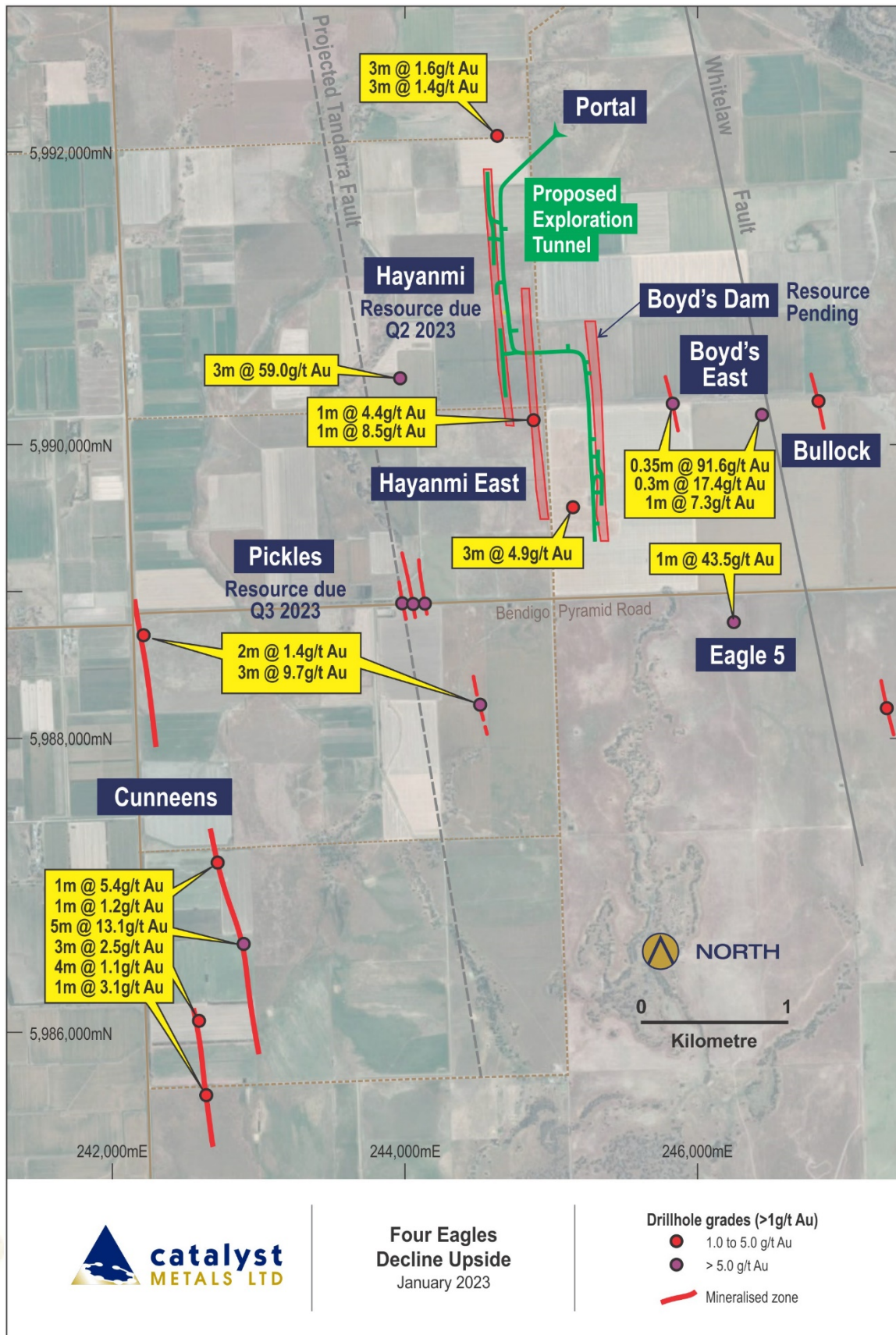


Figure 5: Four Eagles Gold Project showing significant gold occurrences in drilling to date

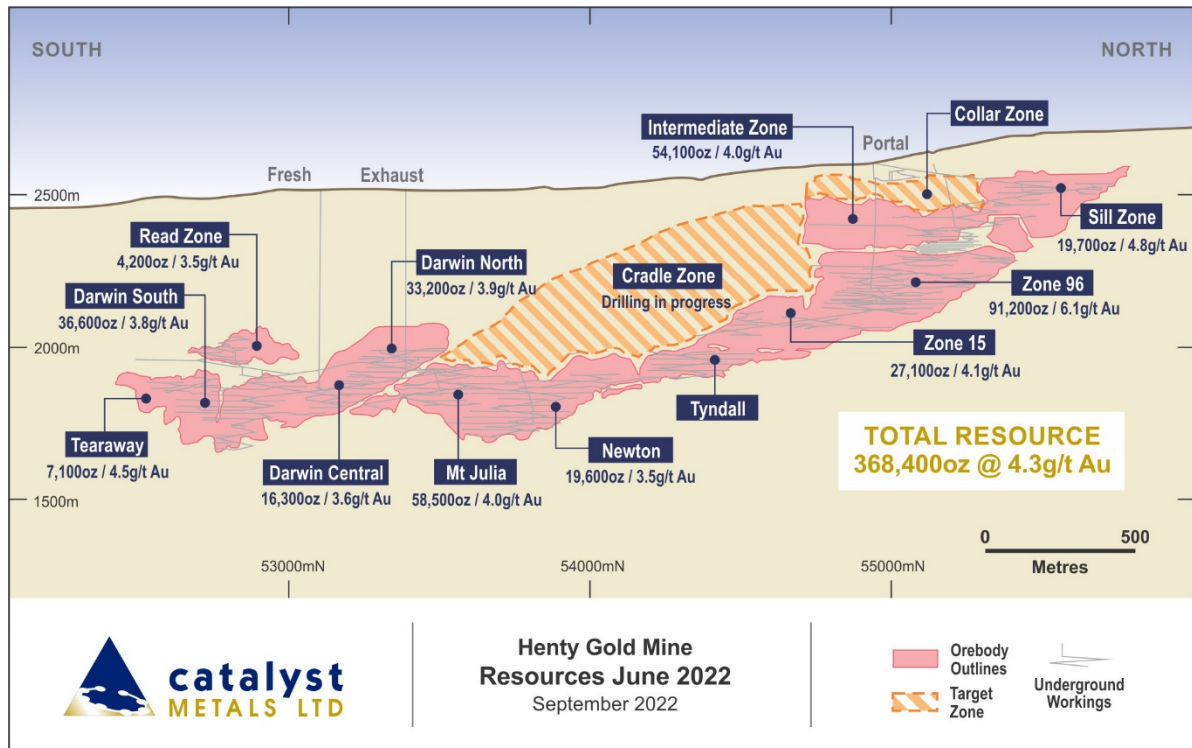


Figure 6: Henty longitudinal projection showing resource outlines and areas of potential at Cradle Zone

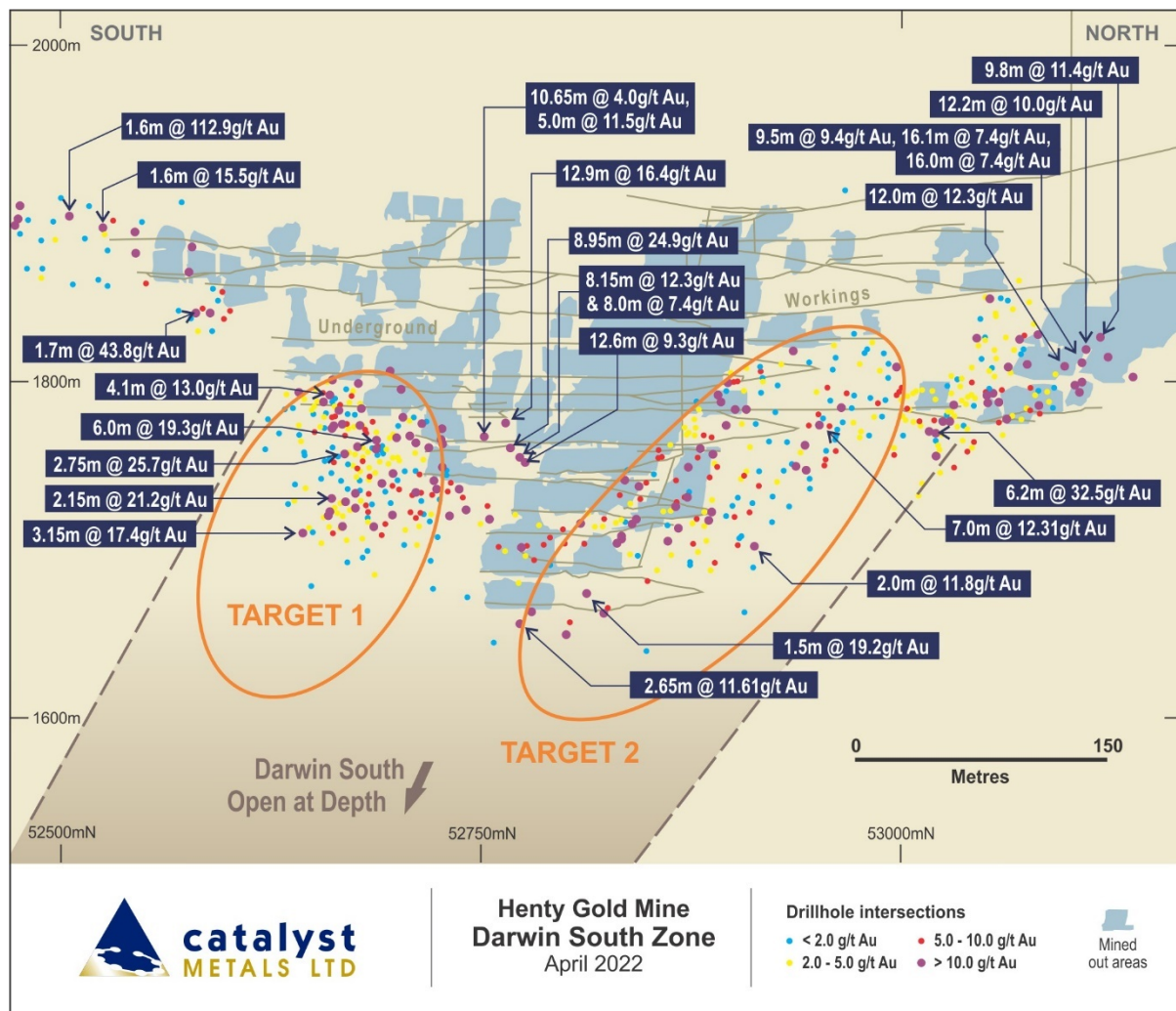


Figure 7: Henty long projection of Darwin South from enlargement in Figure 8 showing recent results in the area down dip of Darwin South.

Tenement directory as at 31 December 2022

Project	Tenement	Beneficial interest
Victoria		
Four Eagles	RL006422	50%
	EL5295	50%
	EL5508	50%
	EL006859	50%
Macorna	EL5521	100% (farm-out of 50% to GEV)
	EL006894	100% (farm-out of 50% to GEV)
	EL006549	100% of mineral rights (farm out of 50% to GEV)
Boort	EL006670	50%
Tandarra	RL006660	51%
Raydarra East	EL5509	100%
Sebastian	EL5533	100%
Raydarra	EL007214	100%
Drummartin	EL006507	100%
Golden Camel	EL5490 & EL5449	50.1%
Tasmania		
Henty	ML 7M/1991	100%
	ML 5M/2002	100%
	ML 7M/2006	100%
	EL28/2001	100%
	EL8/2009	100%
No interests in mining tenements or farm-in or farm-out agreements were acquired or disposed of during the quarter.		

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.

JORC 2012 Mineral Resources and Reserves

Catalyst confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.