



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

**INTERIM REPORT**

**FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

<b>CONTENTS</b>	<b>PAGE</b>
CORPORATE DIRECTORY	1
DIRECTORS' REPORT	2
AUDITOR'S INDEPENDENCE DECLARATION	11
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	12
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME	13
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	14
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	15
NOTES TO THE FINANCIAL STATEMENTS	16
DIRECTORS' DECLARATION	19
INDEPENDENT AUDITOR'S REVIEW REPORT	20

## **CORPORATE DIRECTORY**

### **DIRECTORS**

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

### **COMPANY SECRETARY**

Frank Campagna

### **REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS**

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West Perth, Western Australia 6005

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Website: [www.catalystmetals.com.au](http://www.catalystmetals.com.au)

### **AUDITORS**

RSM Australia Partners  
2 The Esplanade  
Perth WA 6000

### **SHARE REGISTRY**

Automic Pty Ltd  
Level 2  
267 St Georges Terrace  
Perth, Western Australia 6000

Telephone: 1300 288 664 (with in Australia)  
+612 9698 5414 (International)  
Website: [www.automicgroup.com.au](http://www.automicgroup.com.au)

### **STOCK EXCHANGE LISTING**

The Company is listed on the Australian Securities  
Exchange  
Home Exchange: Perth  
ASX Code: CYL & CYLOA

## DIRECTORS' REPORT

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The Directors present their report on Catalyst Metals Limited and its subsidiaries for the half-year ended 31 December 2020.

### 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

#### WHELOW GOLD BELT

The Whitelaw Fault Corridor is a 75 kilometre long geological structure thought to control the emplacement of the Bendigo gold deposits, which extends in a generally northerly direction in favourable Ordovician rocks beneath the covering veneer of the Murray Basin sediments. In particular, the Four Eagles and Tandarra Gold Projects (respectively 55 kilometres and 40 kilometres north-northwest of Bendigo, Victoria) contain gold discoveries similar in style to the historic Bendigo goldfield. The adjacent fault systems provide potential for Bendigo and/or Fosterville-style discoveries at the Drummartin, Boort, and Golden Camel projects.

Catalyst has significant interests in two retention licences (RL's) and fourteen exploration licences (EL's) over the Whitelaw Gold Belt and similar geological terranes both to the east and to the west (Figure 1). With the addition of the Golden Camel Project, where Catalyst has the right to acquire an interest in the Golden Camel mining leases MIN5548 and MIN5570, these licences total some 2,100 square kilometres.

The bulk of the 2019/20 drilling program was completed during the September 2020 Quarter other than one traverse of the Mologa-Four Eagles air core program, and a number of RC holes at Golden Camel, which commenced in December 2020 and will be completed in the 2020/21 field season.

#### FOUR EAGLES JOINT VENTURE (RL006422, EL5295, EL5508, and EL6859 CATALYST 50%)

Catalyst holds a 50% joint venture interest in the Four Eagles Gold Project with the other 50% held by Gold Exploration Victoria Pty Ltd (GEV) (a wholly owned subsidiary of Hancock Prospecting Pty Ltd). Exploration is jointly funded by Catalyst and GEV and is managed by Catalyst.

Retention Licence (RL) 006422, flanked by the remaining ELs, comprises the Four Eagles Gold Project and covers an envelope of gold mineralisation within an area of 6 kilometres trending north-south and 2.5 kilometres east-west including three prospects which have intersected high grade gold mineralisation (Hayanmi, Boyd's Dam, and Pickles). This footprint may now be much larger with the intersection of high-grade gold mineralisation at Cunneens to the south-west and Eagle 5 to the east (Figure 2).

#### Boyd's Dam

The drilling program through 2020 saw significant moderate to deep investigations at Boyd's Dam in terms of RC drilling and diamond drilling. Most significantly the intersection within RC drill hole FERC284 which demonstrated **23.0 metres @ 18.3g/t Au** within a series of stacked zones of mineralisation. Diamond drilling resumed at Boyd's Dam in December 2020, with continued deep investigation into this strongly mineralised trend. Two diamond drill rigs were deployed on a continuous roster to accelerate the sampling and structural understanding of the system with two diamond drill holes (completed prior to the end of the reporting period) with logging, sampling, and assaying ongoing.

#### Eagle 5 prospect

In 2020, air core drilling was carried out on two traverses about 1,500 metres apart and each traverse intersected gold mineralisation including **1.0m @ 43.5g/t Au from 76m in FE1075, 9.0m @ 1.96g/t Au from 99m in FE1155 and 6.0m @ 1.22g/t Au from 54m in FE1159**. These are considered highly significant values for such an early stage of testing and will require further air core drilling in the 2021 field season.

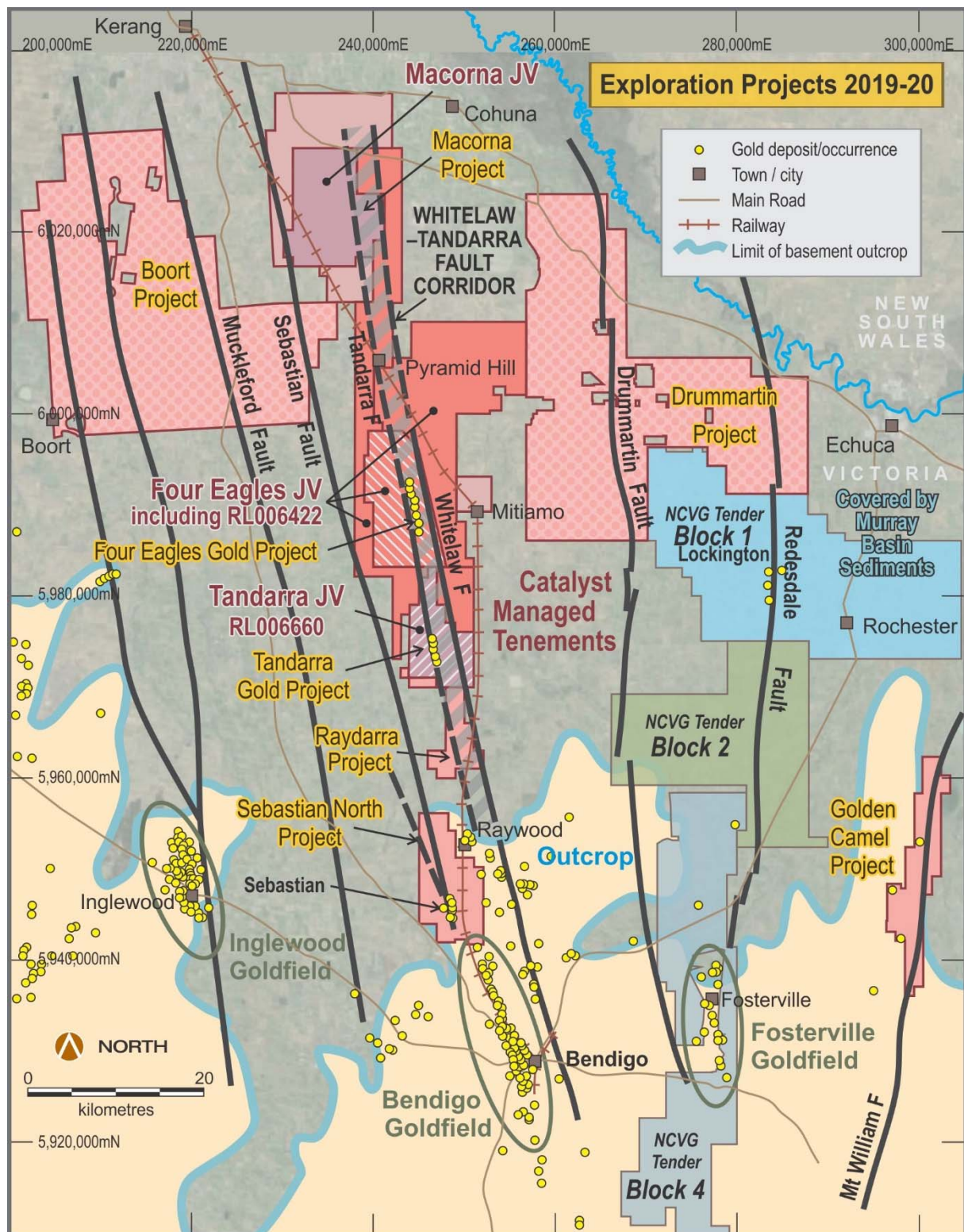


Figure 1: Whitelaw Gold Belt Tenement Holdings showing major Catalyst managed projects



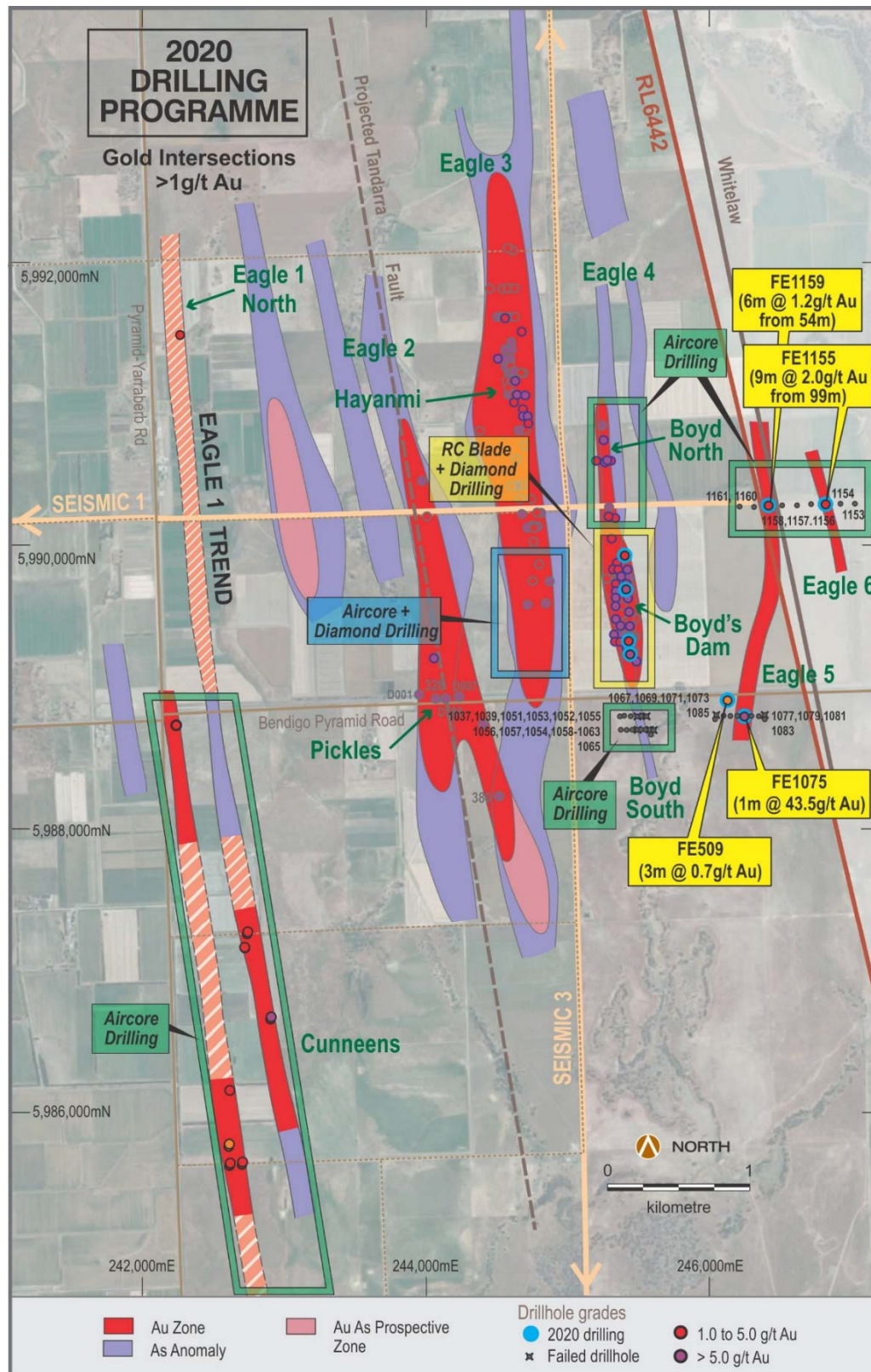


Figure 2: Four Eagles Gold project showing location of gold trends and prospects and areas of exploration in 2020

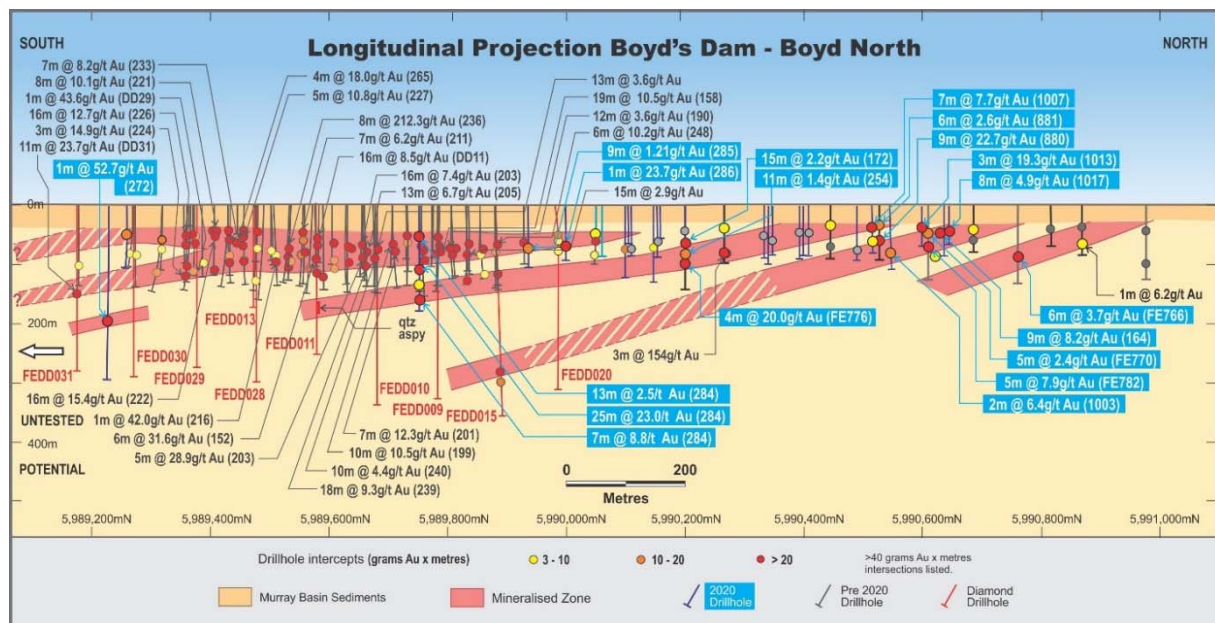


Figure 3: Longitudinal Projection Boyd's Dam-Boyd North Gold Zone showing significant 2020 intersections

## TANDARRA JOINT VENTURE GOLD PROJECT (RL006660) (CATALYST 51%)

The Tandarra Gold Project is located approximately 40 kilometres north of Bendigo along the Whitelaw structural corridor (Figure 1). Catalyst holds a 51% interest in the Tandarra Gold Project with the remaining 49% held by Navarre Minerals Limited.

### Tomorrow Zone

Four diamond drill holes tested the southern continuity of the main Tomorrow west-dipping fault thought to control gold emplacement, over 400m of strike. The fault structure was confirmed in all four holes, with the northernmost two holes containing several thin gold intercepts. Key intersections included **1.0m @ 3.50g/t Au from 121 metres** and **1.0m @ 2.92g/t Au from 327 metres** in DDT025 and **1.0m @ 82.30g/t Au from 261 metres** in DDT026. The mineralised trend describes a gentle southerly plunge with substantial potential at depth (Figure 4).

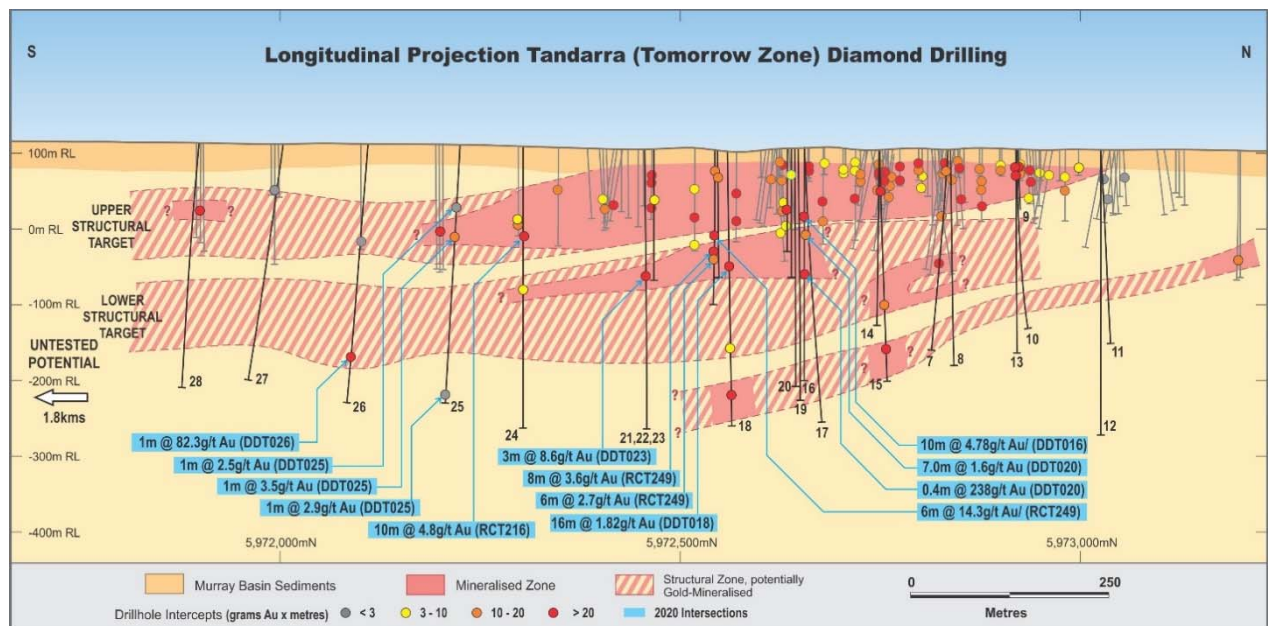


Figure 4: Tomorrow Zone Longitudinal Projection showing the locations of diamond drill holes and significant intersections

## DIRECTORS' REPORT

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### Macnaughtan Zone

The southerly extension of the Macnaughtan line of gold mineralisation was extended and infilled on seven traverses spaced 100 to 270 metres apart, over 1,350 metres of strike length (Figure 5). Key intersections included **13.0m @ 7.8g/t Au, including 2m @ 44.8 g/t Au**, from 78m in ACT464 and **1.0m @ 2.99g/t Au** from 108m to end of hole in ACT473. Gold mineralisation was intersected on almost every traverse with the higher grades most concentrated in a 500-metre interval in the centre of the extension zone.

### Lawry Zone

A new discovery on an anticline target south-east of the Tomorrow Zone returned encouraging intersections on thick quartz veins including **31.0m @ 1.40g/t Au, including 1m @ 9.40 g/t Au and 1m @ 10.45 g/t Au** (at end of hole), from 56m in ACT378. The mineralisation remains open to both north and south.

Air core drilling resumed in December 2020 with the initial focus being on the previously demonstrated mineralisation at the southern end of the Macnaughtan and Lawry trends (Figure 5). Drilling was in progress at year-end, with assays anticipated in the 2021 March quarter.

### MACORNA BORE PROJECT (EL5521, & EL006894 CATALYST 100%; COMMENCING JOINT VENTURE)

GEV is funding exploration to earn a 50% interest in the Macorna tenements with exploration activities managed by Catalyst. The air core drilling program completed 19 holes for 2,486 metres and mostly tested an anomalous gold-arsenic trend that was drilled by WMC Resources in 1999, the best intersection received being **3.0 metres @ 0.373g/t Au from 114 metres** in ACM142.

### BOORT PROJECT (EL006670 CATALYST 100%; COMMENCING JOINT VENTURE)

GEV is funding exploration to earn a 50% interest in the Boort tenement, with exploration activities managed by Catalyst. The Boort gravity geophysical survey and associated data processing was completed in 2020 with target generation and drilling planned for 2021.

### SEBASTIAN NORTH PROJECT (EL5533), RAYDARRA EAST (EL5509), and RAYDARRA (EL007214/EL5266) (CATALYST 100%)

Three ELs at the south end of the Whitelaw Gold Belt (Figure 1) did not see exploration activity during the reporting period. EL5266, with a subsequent reacquisition of tenure now identified as EL007214. Specifically, EL007214 adopts the redundant EL5266 in its entirety with the addition of 18km<sup>2</sup> immediately to the east. EL007412 occupies the strike extension of the recently-discovery at Macnaughtan and Lawry trends at the south end of Tandarra.

### DRUMMARTIN (EL006507 CATALYST 100% COMMENCING JOINT VENTURE)

Drummartin EL006507 is situated to the east of the Whitelaw Belt and covering parts of the Redesdale, Fosterville and Drummartin Faults extending northwards from the vicinity of Fosterville gold mine (Figure 1). St Barbara Limited (ASX: SBM) is funding and farming into EL006507 and is the manager of the Earn-in Joint Venture project conducting the exploration (Figure 1).

An intensive gravity geophysical survey over the 2020 field season was completed during the September 2020 Quarter, with targets generated for follow-up drilling. The air core drilling of the higher-priority eastern targets (Target 8 and Target 9) commenced in December 2020, to provide information on basement depths and to provide basement samples for analysis (Figure 1). Drilling will continue into 2021, and initial assay results anticipated in the March 2021 quarter.

### GOLDEN CAMEL (EL5449 AND EL5490 CATALYST EARNING 50.1% INTEREST)

Catalyst is funding exploration to earn a 50.1% interest in the Golden Camel tenements located to the south-east of the Company's tenure (Figure 1). The farm-in agreement with Golden Camel Mining Pty Ltd includes the right for Catalyst to purchase a 50.1% interest in Mining Licences MIN5548 and MIN5570 surrounding the Golden Camel mine, subject to certain conditions (Figure 6).



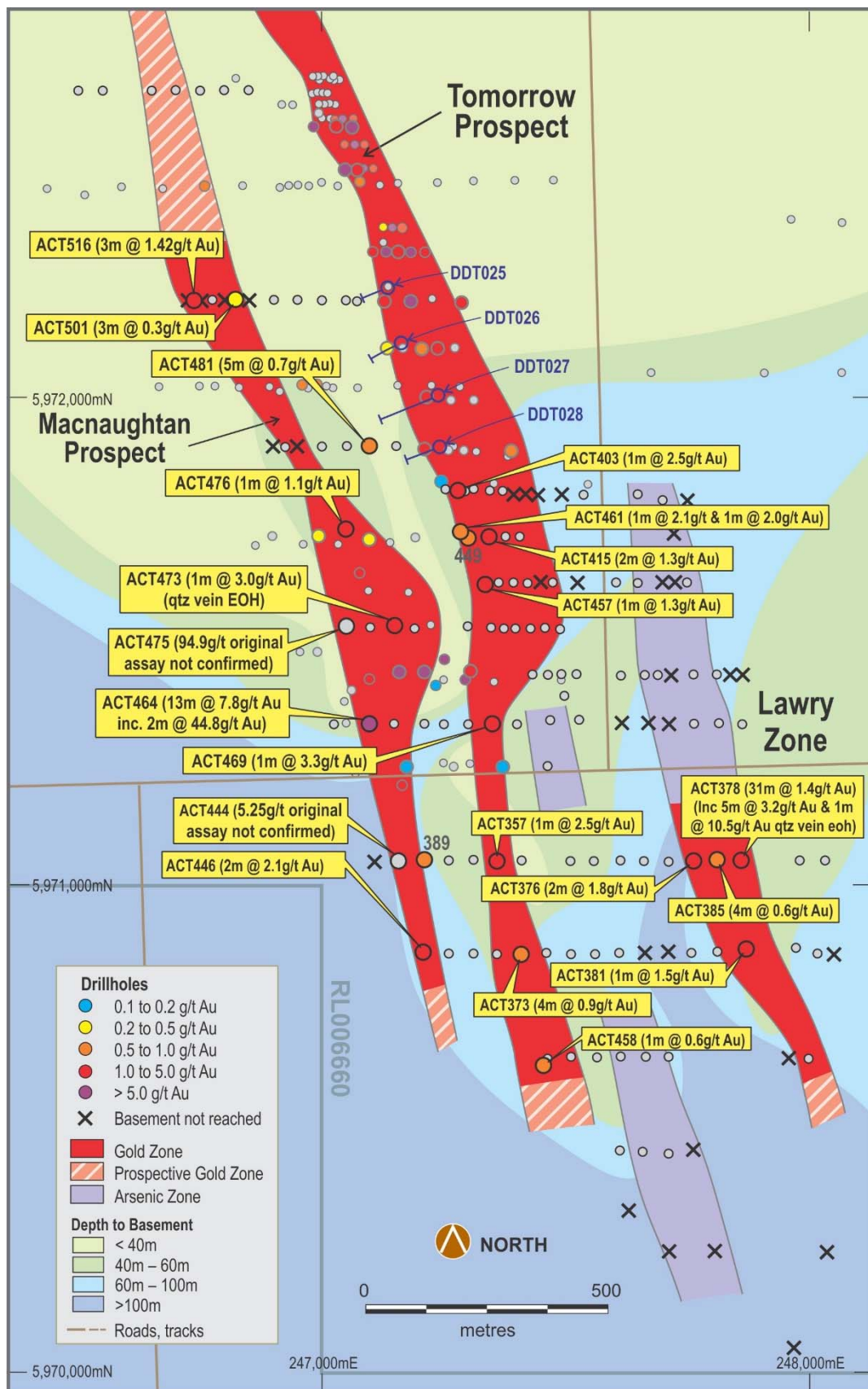


Figure 5: Macnaughtan, Tomorrow and Lawry Zones AC drill plan showing significant results, gold-bearing and arsenic enriched zones and thickness of Murray Basin cover

## DIRECTORS' REPORT

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### Golden Camel

Previously successful RC drilling has been followed up with diamond drill holes beneath the Golden Camel pit, designed to provide coverage of this intersection both along strike and at depth. All holes intersected strong zones of shearing with quartz, arsenopyrite, pyrite which were anomalous in gold and arsenic (up to 10,000ppm As), and significantly GCD002 delivered an intersection of **9.0m @ 5.0g/t Au from 162m**; a good demonstration of the depth potential.

### Toolleen

An RC drilling program was commenced at Toolleen prior to the suspension of drilling due to weather conditions and farmland requirements, with drill hole GCR001 returning a significant intersection of **6.0m @ 9.7g/t Au (including 2.0m @ 27.7g/t Au)** at depth below the historical mine.

### NORTH CENTRAL VICTORIAN GOLD (NCVG) TENDER

In November 2019, the Victorian Government announced that it would release four exploration blocks under a tender process (NCVG Tender, Figure 1). In February 2020, Catalyst lodged tender applications for three of these blocks in partnership with GEV. The Victorian Government recently reconfirmed the results of the highly competitive tender process is expected in March 2021.

### ACQUISITION OF HENTY GOLD MINE

In December 2020 Catalyst entered into an agreement to acquire the Henty gold mine and associated exploration tenements from Diversified Minerals Pty Ltd. The gold mine consists of an underground mine and a conventional CIL processing plant and the acquisition includes the transition of the site operating team and all the mining fleet.

Henty is located in Tasmania and is a high grade, underground gold-silver mine with established infrastructure and significant exploration upside in the mineral rich Mt Read Volcanic Belt, which has historically produced over 8 million ounces of gold. Henty commenced production in 1996 and has produced 1.4 million ounces of gold at an average grade of 8.9g/t.

Catalyst acquired Henty on a debt and hedge free basis as follows:

- \$20 million – comprising \$12 million in cash, (\$6 million paid on completion, and two \$3 million payments paid 6 months, and 12 months from completion), along with \$8 million in Catalyst ordinary shares issued at \$2.10 per share, and
- A contingent deferred payment of up to a maximum of \$5 million is also payable based on 50% of Henty's cashflow in the 12 months post completion.
- To cover any future claims a total of \$2 million (made up of cash of \$1.2 million and \$0.8 million of the Catalyst shares) will be held in an escrow for a minimum of three years.

Catalyst entered into a three-month transitional services agreement to allow a smooth transition of the mine. In addition, it has restructured the 'whole of mine services' contract with PYBAR to an underground labour hire agreement which is forecast to reduce overheads by approximately \$2.6 million per annum.

### Capital Raising

Catalyst completed a placement to raise \$18 million (before costs) and commenced a Share Purchase Plan during the December 2020 Quarter. The funds, along with existing cash reserves, were to be used to fund the Henty acquisition and support major exploration campaigns at the Four Eagles and Tandarra joint ventures and other Victorian exploration projects and for general working capital requirements.

The placement consisted of the issue of approximately 8.57 million ordinary fully paid shares at an issue price of \$2.10 per share.

### RESULTS OF OPERATIONS

The operating loss after income tax of the Group for the half-year ended 31 December 2020 was \$2,411,898 (2019: \$1,138,846).

The Company's basic loss per share for the period was 2.90 cents (2019: loss of 1.43 cents per share).

No dividend has been paid during or is recommended for the financial period ended 31 December 2020.

## DIRECTORS' REPORT

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### EVENTS AFTER REPORTING DATE

On 20 January 2021 Catalyst took ownership of the Henty Gold Mine by completing the acquisition of all the shares in Unity Mining Pty Ltd from Diversified Minerals Pty Ltd (Diversified). The first tranche of \$7.2 million ordinary shares in Catalyst (3,428,572 shares) at the deemed issue price of \$2.10 per share and \$6 million in cash were paid. The shares are subject to a minimum three years of escrow from the date of issuance and \$600,000 in cash will be held in escrow to cover any future warranty or indemnity claims.

As part of the acquisition, second and third deferred tranches of \$3 million each will be paid to Diversified within 6 and 12 months from the Completion Date of 20 January 2021, of which \$300,000 will be held from each payment in escrow to also cover any future warranty or indemnity claims. A contingent consideration amount of up to \$5 million may be payable 12 months from the Completion Date, depending upon cash flow outcomes of the project.

In February 2021 Catalyst issued 2,296,025 ordinary shares for gross subscription proceeds of \$4,821,652 from the share purchase plan announced on 21 December 2020. Under the terms of the offer, eligible shareholders were entitled to purchase up to \$30,000 worth of shares at a subscription price of \$2.10 per share.

In February 2021, Catalyst completed a further capital raising of \$1,260,000 through a private share placement of 600,000 ordinary shares at a subscription price of \$2.10 per share. Funds raised from the placement will be used for ongoing growth initiatives including major exploration programs at the Four Eagles and Tandarra Gold Project in Victoria and the Henty gold mine in Tasmania as well as for general working capital.

The impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practical to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstances has arisen since 31 December 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

### 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: 15 March 2021

### ***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 2014) 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 announcements dated 1 September 2014 and 29 July 2015.*

### ***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 announcements dated 1 September 2014, the quarterly activities report dated 31 July 2014, and for other Tandarra drilling on 29 July 2015.*

**RSM Australia Partners**

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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 2020, 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.



David Wall  
Partner  
RSM Australia Partners

Perth, WA  
Dated: 15 March 2021



**CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2020**

		31 December 2020	30 June 2020
	Note	\$	\$
<b>Current Assets</b>			
Cash and cash equivalents	5	33,110,652	18,335,520
Trade and other receivables		301,701	272,964
Total Current Assets		33,412,353	18,608,484
<b>Non-Current Assets</b>			
Property, plant and equipment		100,500	96,867
Exploration and evaluation expenditure		6,350,317	5,547,838
Total Non-Current Assets		6,450,817	5,644,705
<b>TOTAL ASSETS</b>		39,863,170	24,253,189
<b>Current Liabilities</b>			
Trade and other payables		1,200,020	1,011,253
Provision for employee entitlements		39,494	25,183
Other - advances	6	43,650	531,634
Total Current Liabilities		1,283,164	1,568,070
<b>TOTAL LIABILITIES</b>		1,283,164	1,568,070
<b>NET ASSETS</b>		38,580,006	22,685,119
<b>Equity</b>			
Contributed equity	7	59,656,894	41,350,109
Share based payments reserves		372,972	372,972
Accumulated losses		(21,449,860)	(19,037,962)
<b>TOTAL EQUITY</b>		38,580,006	22,685,119

*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 2020**

	31 December 2020 \$	31 December 2019 \$
<b>Other Income</b>	209,418	357,297
<b>Expenses</b>		
Professional fees	(121,095)	(243,888)
Administration costs	(21,202)	(60,573)
Occupancy costs	(8,581)	(6,385)
Personnel	(351,517)	(289,542)
Corporate costs	(102,418)	(267,096)
Exploration and evaluation expenditure written off	(2,016,503)	(628,659)
<b>Loss before income tax expense</b>	(2,411,898)	(1,138,846)
Income tax expense	-	-
<b>Loss for the half year</b>	(2,411,898)	(1,138,846)
Other comprehensive income	-	-
<b>Total comprehensive loss for the half year</b>	(2,411,898)	(1,138,846)
<b>Total comprehensive loss attributable to members of the company</b>	(2,411,898)	(1,138,846)
Basic loss per share (cents per share)	2.90	1.43
Diluted loss per share (cents per share)	2.90	1.43

*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 2020**

	Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total \$
<b>Balance at 1 July 2019</b>	<b>33,301,230</b>	<b>(17,291,130)</b>	<b>372,972</b>	<b>16,383,072</b>
Total comprehensive loss for the period	-	(1,138,846)	-	(1,138,846)
Transactions with owners in their capacity as owners:				
Issue of shares	7,875,000	-	-	7,875,000
Issue of options	157,785	-	-	157,785
Share issue expenses	(1,551)	-	-	(1,551)
<b>Balance at 31 December 2019</b>	<b>41,332,464</b>	<b>(18,429,976)</b>	<b>372,972</b>	<b>23,275,460</b>
<b>Balance at 1 July 2020</b>	<b>41,350,109</b>	<b>(19,037,962)</b>	<b>372,972</b>	<b>22,685,119</b>
Total comprehensive loss for the period	-	(2,411,898)	-	(2,411,898)
Transactions with owners in their capacity as owners:				
Issue of shares	19,000,126	-	-	19,000,126
Share issue expenses	(693,341)	-	-	(693,341)
<b>Balance at 31 December 2020</b>	<b>59,656,894</b>	<b>(21,449,860)</b>	<b>372,972</b>	<b>38,580,006</b>

*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 2020**

	31 December 2020 \$	31 December 2019 \$
<b>Cash Flows from Operating Activities</b>		
Payments to suppliers, contractors and employees	(411,661)	(1,421,881)
Interest received	41,362	46,210
Payments for exploration and evaluation	(1,917,538)	(628,659)
Receipt of R&D incentive	69,091	225,660
Net cash flows used in operating activities	(2,218,746)	(1,778,670)
<b>Cash Flows from Investing Activities</b>		
Payments for property, plant and equipment	(22,444)	(89,786)
Payments for exploration and evaluation expenditure	(802,479)	(658,200)
Net cash flows used in investing activities	(824,923)	(747,986)
<b>Cash Flows from Financing Activities</b>		
Proceeds from issue of shares	19,000,126	7,875,000
Proceeds from issue of options	-	157,785
Share issue expenses	(693,341)	(1,551)
Farm in advances received	719,325	982,713
Farm in advances expended	(1,207,309)	(714,704)
Net cash flows from financing activities	17,818,801	8,299,243
Net increase/(decrease) in cash and cash equivalents	14,775,132	5,772,587
Cash and cash equivalents at the beginning of the half-year	18,335,520	15,897,453
<b>Cash and cash equivalents at the end of the half-year</b>	<b>33,110,652</b>	<b>21,670,040</b>

*The accompanying notes form part of this financial report*

# **CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **For The Half-Year Ended 31 December 2020**

#### **1. BASIS OF PREPARATION**

This general purpose financial report for the half-year reporting period ended 31 December 2020 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 2020 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 or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### **2. SEGMENT INFORMATION**

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

#### **3. EVENTS AFTER REPORTING DATE**

On 20 January 2021 Catalyst took ownership of the Henty Gold Mine by completing the acquisition of all the shares in Unity Mining Pty Ltd from Diversified Minerals Pty Ltd. The first tranche of \$7.2 million ordinary shares in Catalyst (3,428,572 shares) at the deemed issue price of \$2.10 per share and \$6 million in cash were paid. The shares are subject to a minimum three years of escrow from the date of issuance and \$600,000 in cash will be held in escrow to cover any future warranty or indemnity claims.

As part of the acquisition, second and third deferred tranches of \$3 million each will be paid to Diversified within 6 and 12 months from the Completion Date of 20 January 2021, of which \$300,000 will be held from each payment in escrow to also cover any future warranty or indemnity claims. A contingent consideration amount of up to \$5 million may be payable 12 months from the Completion Date, depending upon cash flow outcomes of the project.

In February 2021 Catalyst issued 2,296,025 ordinary shares for gross subscription proceeds of \$4,821,652 from the share purchase plan announced on 21 December 2020. Under the terms of the offer, eligible shareholders were entitled to purchase up to \$30,000 worth of shares at a subscription price of \$2.10 per share.

In February 2021, Catalyst completed a further capital raising of \$1,260,000 through a private share placement of 600,000 ordinary shares at a subscription price of \$2.10 per share. Funds raised from the placement will be used for ongoing growth initiatives including major exploration programs at the Four Eagles and Tandarra Gold Project in Victoria and the Henty gold mine in Tasmania as well as for general working capital.



**CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For The Half-Year Ended 31 December 2020**

**3. EVENTS AFTER REPORTING DATE (CONT'D)**

The impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstances has arisen since 31 December 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**4. CONTINGENCIES**

The Company does not have any contingent assets or contingent liabilities as at 31 December 2020.

	31 December 2020 \$	30 June 2020 \$
<b>5. CASH AND CASH EQUIVALENTS</b>		
Cash at bank	33,000,652	18,225,520
Cash on deposit	110,000	110,000
	<u>33,110,652</u>	<u>18,335,520</u>

The cash at bank as at 31 December 2020 includes \$466,551 (30 June 2020: \$1,238,656) held in trust by Catalyst Metals Ltd's subsidiaries, Kite Gold Pty Ltd and Tandarra Management Pty Ltd, advanced by Gold Exploration Victoria Pty Ltd (**GEV**) and Navarre Minerals Limited (**NML**) as funds provided in advance for exploration expenditure on the Four Eagles Joint Venture and the Tandarra Joint Venture.

	31 December 2020 \$	30 June 2020 \$
<b>6. ADVANCES</b>		
Opening balance of Advance from Joint Venture Partners	531,634	184,908
Advances received from Joint Venture Partners	719,325	3,820,441
Exploration expenditure	(1,207,309)	(3,473,715)
Closing balance of (Receivable)/Advance from Joint Venture Partners	43,650	531,634
	<u>43,650</u>	<u>531,634</u>

The (receivable)/advance from Joint Venture Partners relates to monies (receivable)/advanced (from)/to Kite Gold Pty Ltd and Tandarra Management Pty Ltd for their contribution to exploration expenditure on the Four Eagles Gold Project and Tandarra Gold Project.

**CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For The Half-Year Ended 31 December 2020**

		31 December 2020		30 June 2020	
		Number	\$	Number	\$
<b>7.</b>	<b>CONTRIBUTED EQUITY</b>				
	<i>(a) Share capital</i>				
	<i>Ordinary shares</i>				
	Fully paid	(c) 91,971,126	59,499,109	82,399,646	41,192,324
	<i>(b) Other equity securities</i>				
	Options – Listed	(d) 7,881,996	157,785	7,882,048	157,785
	Options – Unlisted	(e) -	-	1,000,000	-
	<b>Total contributed equity</b>		<u>59,656,894</u>		<u>41,350,109</u>
	<i>(c) Movements in Ordinary Shares</i>				
	<b>Details</b>	<b>Number of Shares</b>	<b>Issue Price</b>		<b>\$</b>
	Balance at 30 June 2020	82,399,646		41,192,324	
	Issue of shares – share placement	8,571,428	\$2.10	17,999,999	
	Issue of shares – Exercise of listed options	52	\$2.45	127	
	Issue of shares – Exercise of unlisted options	1,000,000	\$1.00	1,000,000	
	Capital raising expenses	-		(693,341)	
	Balance at 31 December 2020	<u>91,971,126</u>		<u>59,499,109</u>	
	<i>(d) Movements in Listed Options</i>				
	<b>Details</b>	<b>Number of Options</b>	<b>Issue price</b>		<b>\$</b>
	Balance at 30 June 2020	7,882,048		157,785	
	Issued during period	-		-	
	Exercised during the period	(52)		-	
	Balance at 31 December 2020	<u>7,881,996</u>		<u>157,785</u>	
	<i>(e) Movements in Unlisted Options</i>				
	<b>Details</b>	<b>Number of Options</b>	<b>Issue price</b>		<b>\$</b>
	Balance at 30 June 2020	1,000,000		-	
	Exercised during period	(1,000,000)		-	
	Balance at 31 December 2020	<u>-</u>		<u>-</u>	

## 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 2020 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: 15 March 2021

**RSM Australia Partners**

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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 condensed consolidated statement of financial position as at 31 December 2020, the condensed consolidated statement of profit or loss and comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated 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 2020 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.

#### **THE POWER OF BEING UNDERSTOOD**

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**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 2020 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*.



David Wall  
Partner  
RSM Australia Partners

Perth, WA  
Dated: 15 March 2021