

## QUARTERLY ACTIVITIES REPORT - for Quarter ended 31 December 2021

### HIGHLIGHTS

#### *VICTORIAN EXPLORATION*

- Completion of Four Eagles diamond drilling campaign aimed at developing understanding of important structures both at depth and adjacent to the Boyd's Dam prospect
- Four Eagles target generation completed post review of gravity and magnetics geophysical surveys as part of preparatory work for 2022's drill program
- At Tandarra, regional soil sampling and metallurgical test work program completed
- Further air core drilling completed at both Drummartin and Bort

#### *HENTY GOLD MINE*

- Renewed investment in Henty's exploration yielded important exploration success
- Significant strides in demonstrating potential to increase its mine life
- Exploration drilling demonstrated high grade extensions to existing mineralisation indicating a high potential of Resource and Reserve growth
- Drilling also indicated potential for new mining areas
- Gold sales of 6,621 ounces at realised price of \$2,466/oz
- Gold production of 6,311 ounces of gold from 51,686t processed at grade of 4.2g/t Au with 91.5% recovery
- AISC of \$2,219/oz compared against last quarter of \$2,098/oz

#### *CORPORATE*

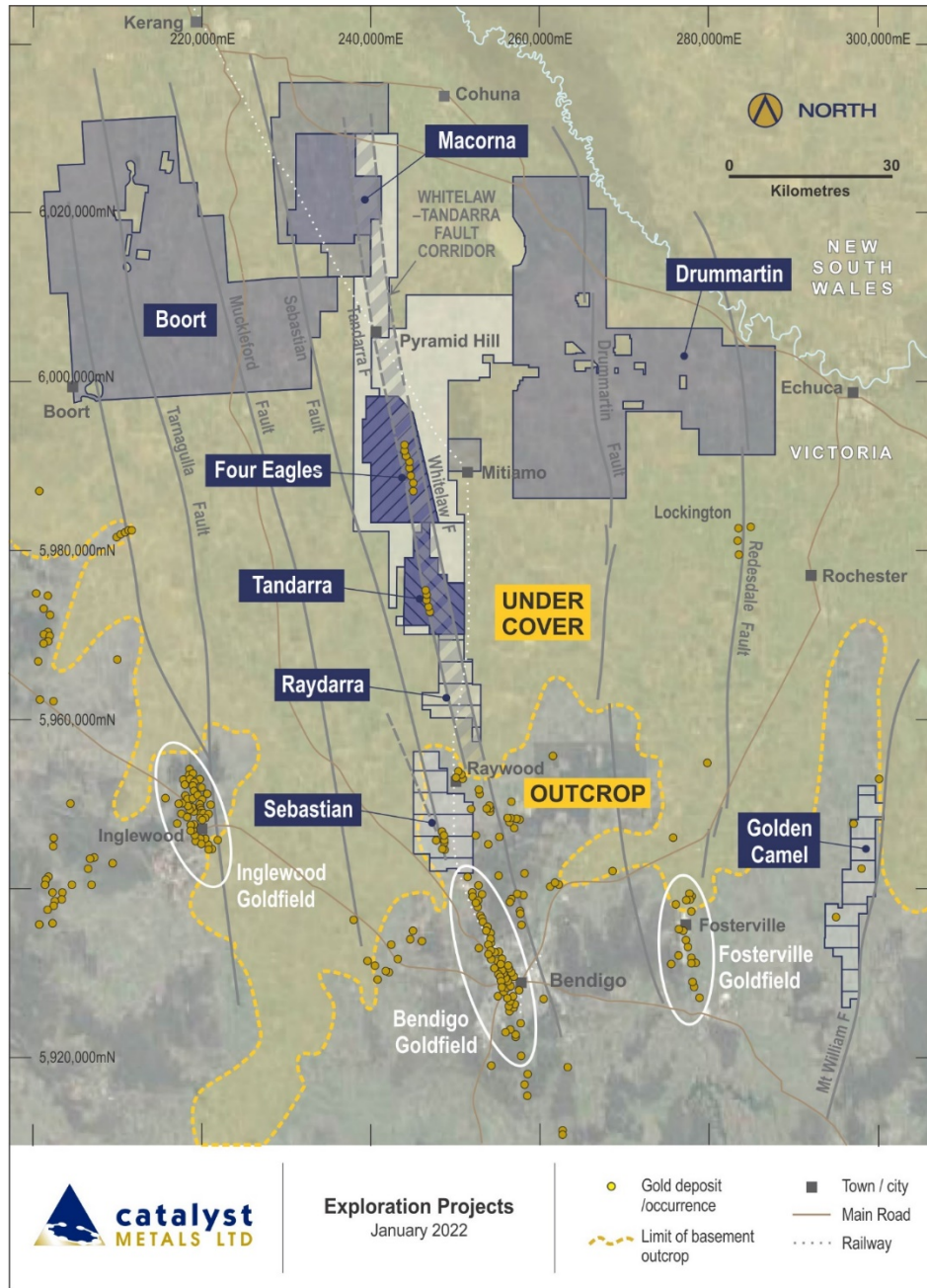
- Cash at end of quarter was \$28.0M
- Deferred Henty purchase instalment made

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### VICTORIAN EXPLORATION PROGRAMS

Field exploration work reduced in the December 2021 quarter due to weather and ground access. Further, COVID-19 border closures has impacted the availability of drilling contractors with preferred contractors not being able to get to site.

Despite this, the 2021/22 drilling season was able to continue with reverse circulation (RC) and diamond drilling contractors being arranged for programs on those priority project areas.



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

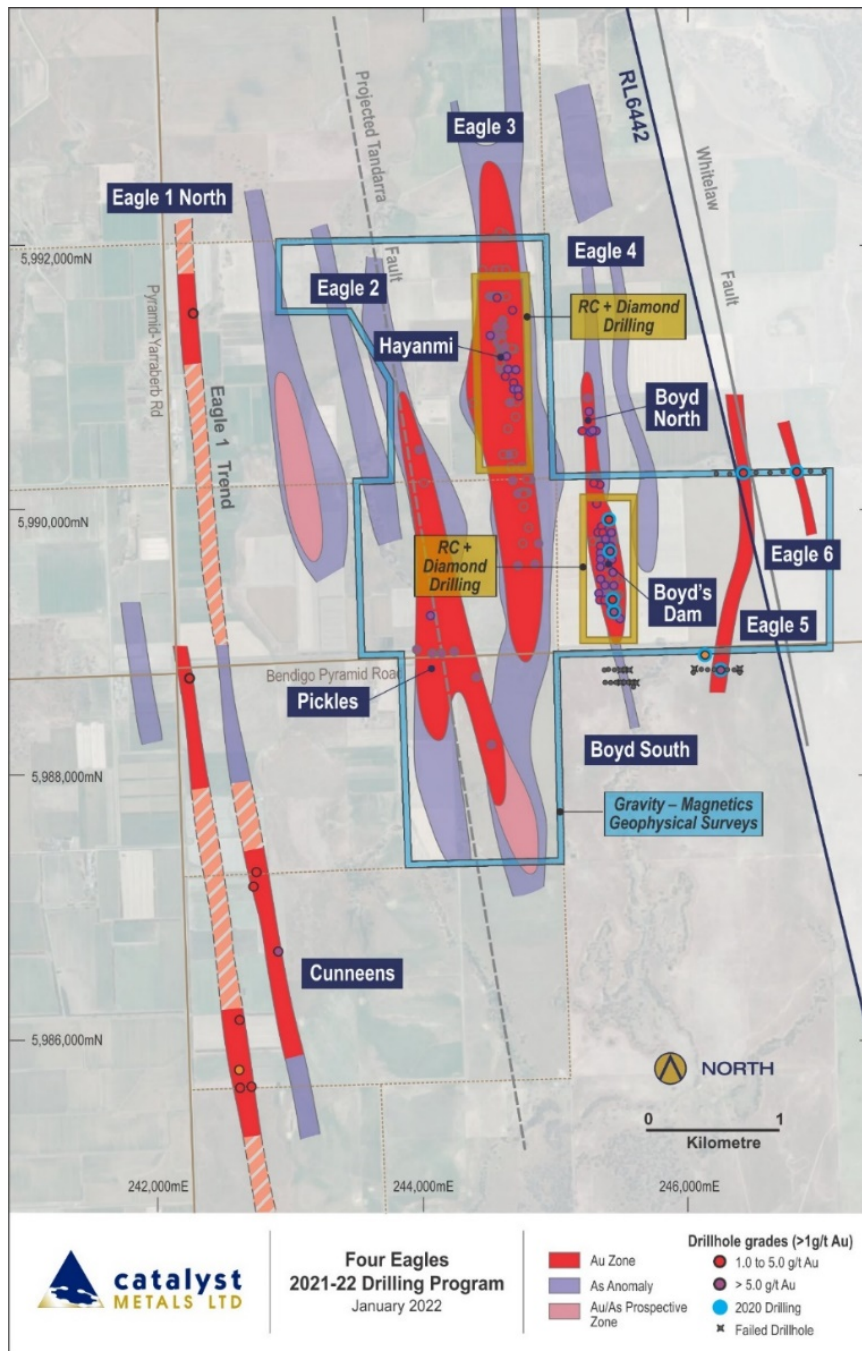
### *FOUR EAGLES JOINT VENTURE*

Drilling at Four Eagles during the December 2021 quarter was limited to Boyd’s Dam due to crop constraints, with diamond and RC drilling continuing where possible into deep and adjacent structural targets. The interpretation of ground gravity and magnetics geophysics surveys across the accessible parts of Boyd’s Dam, Hayanmi, and Pickles have provided targets of interest for the 2022 program.

Continued trials of deep RC drilling have shown mixed success with the limiting aspect being groundwater flows.

Baseline study work commenced on identifying the optimal site to commence an exploration decline that would allow drilling from beneath the Murray Basin Sediments in basement rocks. The aim is to site the portal entry in an area of shallow cover to minimise impact and cost. The decline and underground development would allow access to Hayanmi, Boyd’s North and Boyd’s Dam prospects

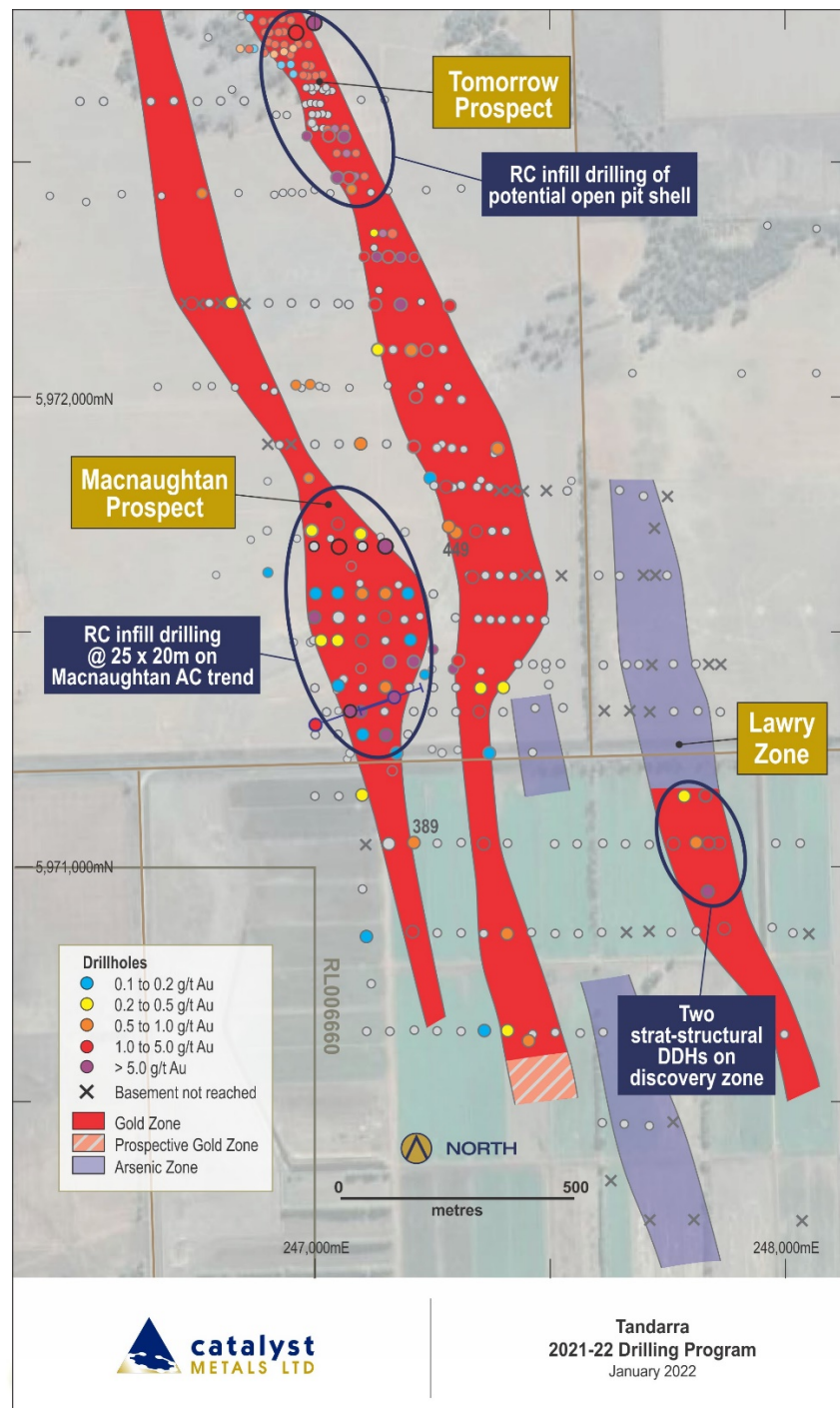
Four Eagles is a Joint Venture with Hancock Prospecting Pty Ltd (through subsidiary Gold Exploration Victoria (GEV)). Exploration is managed by Catalyst and jointly funded by the JV partners. Four Eagles covers an area of 304km<sup>2</sup> and includes three key prospects – Hayanmi, Boyd’s Dam, and Pickles – lying on the 75km long Whitelaw fault (see Figure 2).



**Figure 2: Four Eagles Gold project showing location of prospect locations, gold trends, 2020-21 drilling program locations, and area of freehold land purchased**

**TANDARRA JOINT VENTURE**

At the Tomorrow prospect, geological interpretation of drillhole and geophysical data has continued through the quarter, with specific focus on the fault systems that are responsible for mineralisation. Three-dimensional modelling has provided further insight into the geometries of faults that are important to target generation at depth.



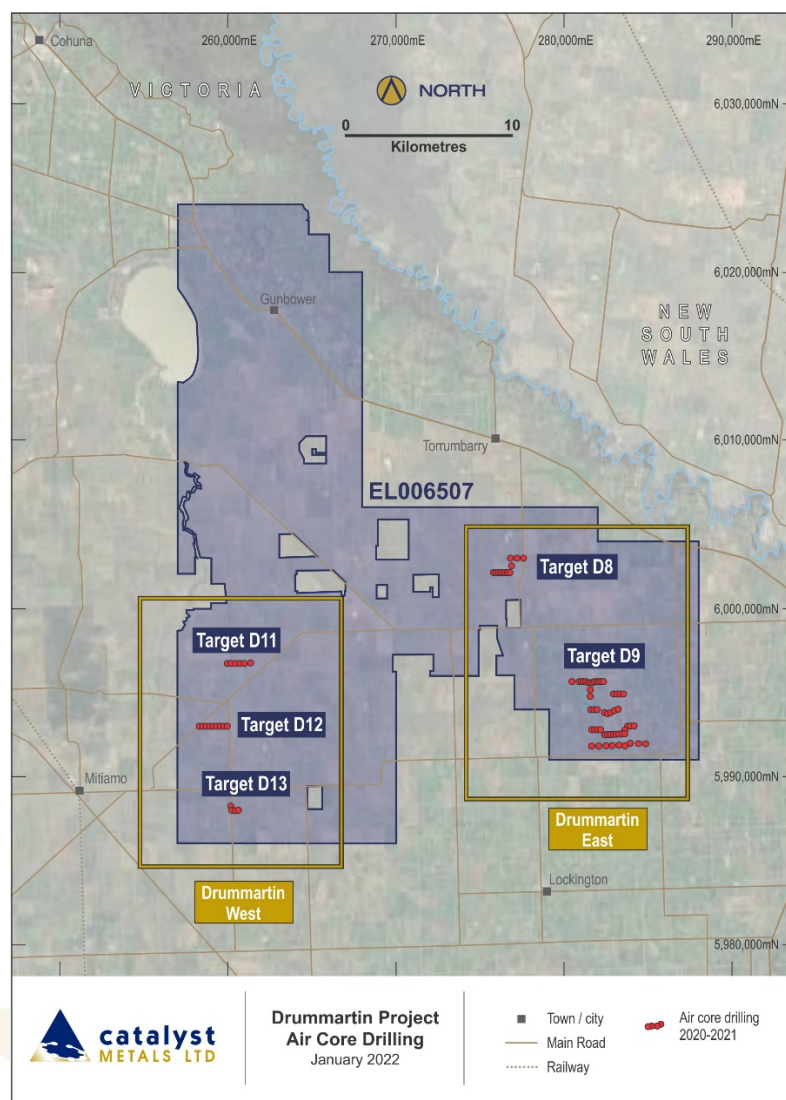
**Figure 3: Tandarra Gold Project showing location of prospect locations and current activities**

A metallurgical sample was submitted to an external laboratory for analysis on gravity and cyanide-soluble gold recovery, with results anticipated in the March quarter.

A soil sampling survey across the Tandarra tenement was completed during the December quarter. Nine of ten broadly spaced survey lines were completed, with laboratory analysis ongoing. The survey was implemented to determine possible exploration targets that have not been detected through geophysics.

The Tandarra Gold Project lies immediately to the south of Catalyst’s Four Eagles project. Catalyst holds a 51% interest in Tandarra. Catalyst manages the joint venture with expenditures funded by JV partner, Navarre Minerals Ltd, in their respective proportions. Tandarra covers an area of 60km<sup>2</sup>, and includes three key prospects – Tomorrow Macnaughtan, and Lawry – lying on the 75km long Whitelaw fault (see Figure 3).

### DRUMMARTIN PROJECT (ST BARBARA FARMING IN)



**Figure 4: Drummartin Exploration Licence EL006507 showing gravity targets and air core drill holes**

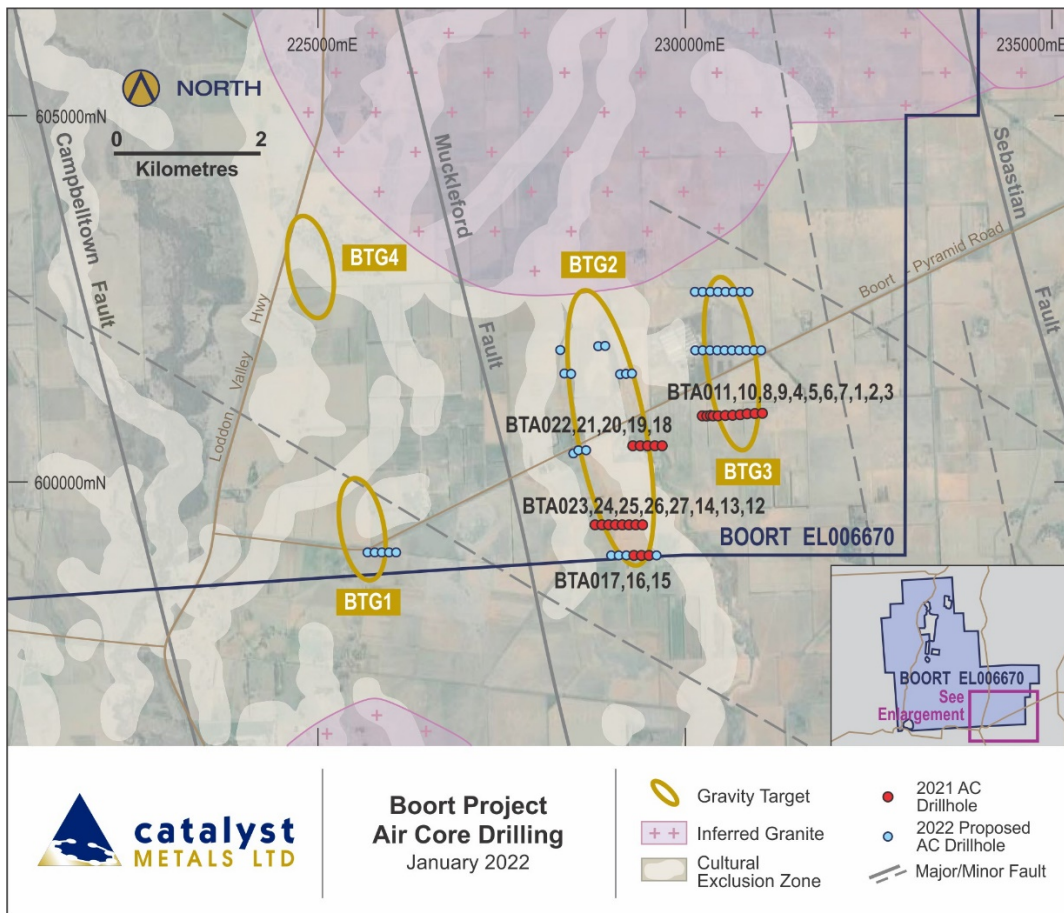
Air core drilling resumed at Drummartin in December 2021 with 4 holes for 602 metres at Target D9 (Figure 6) drilled prior to the end of the December quarter. Results are pending.

Catalyst has a farm-in agreement with St Barbara Limited (St Barbara) on the Drummartin Project. The 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.

### BOORT PROJECT

Catalyst holds a 50% interest in the Boort Project (Figure 7) with the other 50% held by Hancock Prospecting. The project is jointly funded by Catalyst and GEV, and is managed by Catalyst.

The Boort project tenement was subject to a gravity geophysics survey in 2021, which resulted in the generation of 13 drilling targets. During the quarter a total of 27 holes were completed on Target 2 and Target 3 (Figure 7) for 3,134 metres, with assays anticipated in the March 2022 quarter.



**Figure 5: Boort Exploration Licence EL006670 showing gravity targets and air core drill holes**

### *GOLDEN CAMEL JOINT VENTURE*

Catalyst holds a 50.1% interest in the Golden Camel Joint Venture. Catalyst manages the joint venture with expenditures funded by Catalyst and its JV partner in their respective proportions.

The 2021/2022 Joint Venture exploration programme is expected to commence in the June quarter of 2022.

### *VICTORIAN EXPLORATION PROGRAM FOR MARCH 2022 QUARTER*

In the March quarter, drilling activities will be undertaken per Table 1 below. Two diamond core rigs, one RC rig and one air-core are currently drilling. A second RC rig is expected in February and a second air-core rig is being negotiated.

In preparation for resource estimation, significant RC infill drilling is underway on the known mineralisation at Boyd's Dam (Four Eagles JV) covering around 900m of strike, and Tomorrow (Tandarra JV) covering a 300m long section being evaluated as an initial open pit.

<i>Project</i>	<i>Activities</i>
Four Eagles	<ul style="list-style-type: none"> <li>• <i>Reverse Circulation (RC) in-fill drilling for Indicated Resource</i></li> <li>• <i>Complete definitive structural investigation drilling</i></li> <li>• <i>Preparatory modelling work for resource estimation</i></li> <li>• <i>Aeromagnetic and geochemical surveying</i></li> </ul>
Drummartin	<ul style="list-style-type: none"> <li>• <i>Air-core Drilling</i></li> <li>• <i>Geochemical surveying</i></li> </ul>
Tandarra	<ul style="list-style-type: none"> <li>• <i>Diamond Drilling</i></li> <li>• <i>Reverse Circulation (RC) in-fill drilling for Indicated Resource</i></li> <li>• <i>Preparatory modelling work for resource estimation</i></li> <li>• <i>Aeromagnetic and geochemical surveying</i></li> </ul>
Boort	<ul style="list-style-type: none"> <li>• <i>Air-core Drilling</i></li> <li>• <i>Geochemical surveying</i></li> </ul>
Golden Camel	<ul style="list-style-type: none"> <li>• <i>Diamond drilling</i></li> </ul>
Sebastian	<ul style="list-style-type: none"> <li>• <i>Diamond drilling</i></li> </ul>

**Table 1 – Planned activities in the March 2022 Quarter**

## HENTY

Key to Henty's success is increasing its mine life before then lifting its production profile and lowering its costs. Doing so should deliver a stable operating platform for Catalyst.

To achieve this, Catalyst has invested heavily in exploration. There are currently four drill rigs operating at Henty with another on the way.

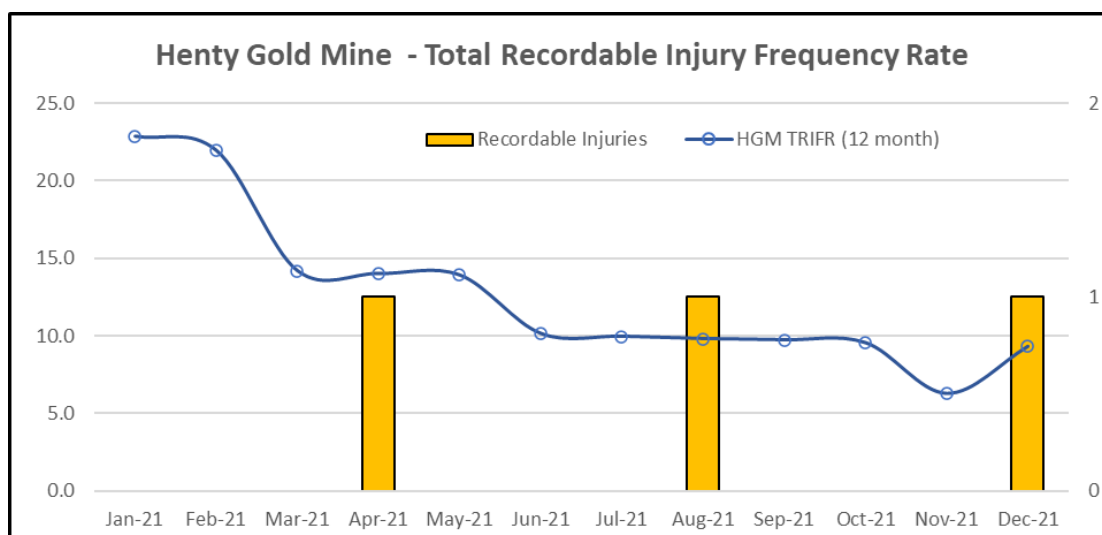
Recent exploration results have yielded success in two areas: (i) potential to increase Resources due to high grade intercepts outside current Resource shells, and (ii) potential to delineate new resources in new areas not previously considered.

Since Catalyst acquired Henty it has produced 24,706 ounces of gold at an AISC of \$2,038/oz. The average realised gold price was A\$2,386 per ounce. This compares to production of 11,590 ounces in 2020 under previous owners.

## *OPERATIONS*

Henty sold 6,621oz of gold at an AISC of \$2,219/oz (Sept Qtr: 6,366oz \$2,098/oz).

Henty recorded one recordable Lost Time Injury for the December 2021 Quarter. The Total Recordable Injury Frequency Rate (TRIFR) stands at 9.32 at the end of the quarter which is status quo from the September quarter. (refer to Figure 6)



**Figure 6 – Henty TRIFR showing rolling 12-month period**



Total of 50,090 tonnes of ore was mined during the quarter with majority sourced from Zone 96 (see Figure 7). Current mining focus areas remain upper part of the mine, in and around the Intermediate Zone and Zone 96, while new ore sources are being grade control drilled.

Average head grade achieved since Catalyst ownership is 4.7g/t - above the Mineral Resource Estimate grade of 4.5g/t (announced 5 October 2021). This grade variations is expected under the mine plan.

The mill processed 51,686 tonnes with a feed grade of 4.2g/t. Recovery for the December 2021 quarter averaged 91.5% (YTD 91.8%). Higher base metals contained within ore feed led to lower recovery rates for the period. Gold production for the quarter was 6,311oz.

### Costs

For the quarter, Cash Cost per ounce were \$1,682 (YTD \$1,651) and All-in-Sustaining Cost (AISC) per ounce were \$2,219 (YTD \$2,156).

AISC increased by 6% from the restated previous quarter AISC (\$2,089) due to lower grade (11%) offset by increased volumes of ore processed (5%).

**Table 2 – Quarterly Cash Costs**

Cost Summary	September Qtr	December Qtr	FY22 YTD
Mining	1,212	1,172	1,192
Processing	246	258	252
Mine & General administration	159	177	167
Stockpile Movements	5	76	39
<b>Cash Cost</b>	<b>1,621</b>	<b>1,682</b>	<b>1,651</b>
Refining & Transport Costs	8	10	9
Royalties	138	187	162
Gold in Circuit movements	1	(54)	(26)
Insurance	67	51	60
Corporate G&A Costs	10	9	10
Sustaining Capital <sup>(1)</sup>	253 <sup>(2)</sup>	333	292
<b>All-in Sustaining Costs</b>	<b>2,098</b>	<b>2,219</b>	<b>2,156</b>

(1) Catalyst has amended its FY22 calculation of sustaining capital to include all underground development and resource definition drilling costs not previously included in the calculation

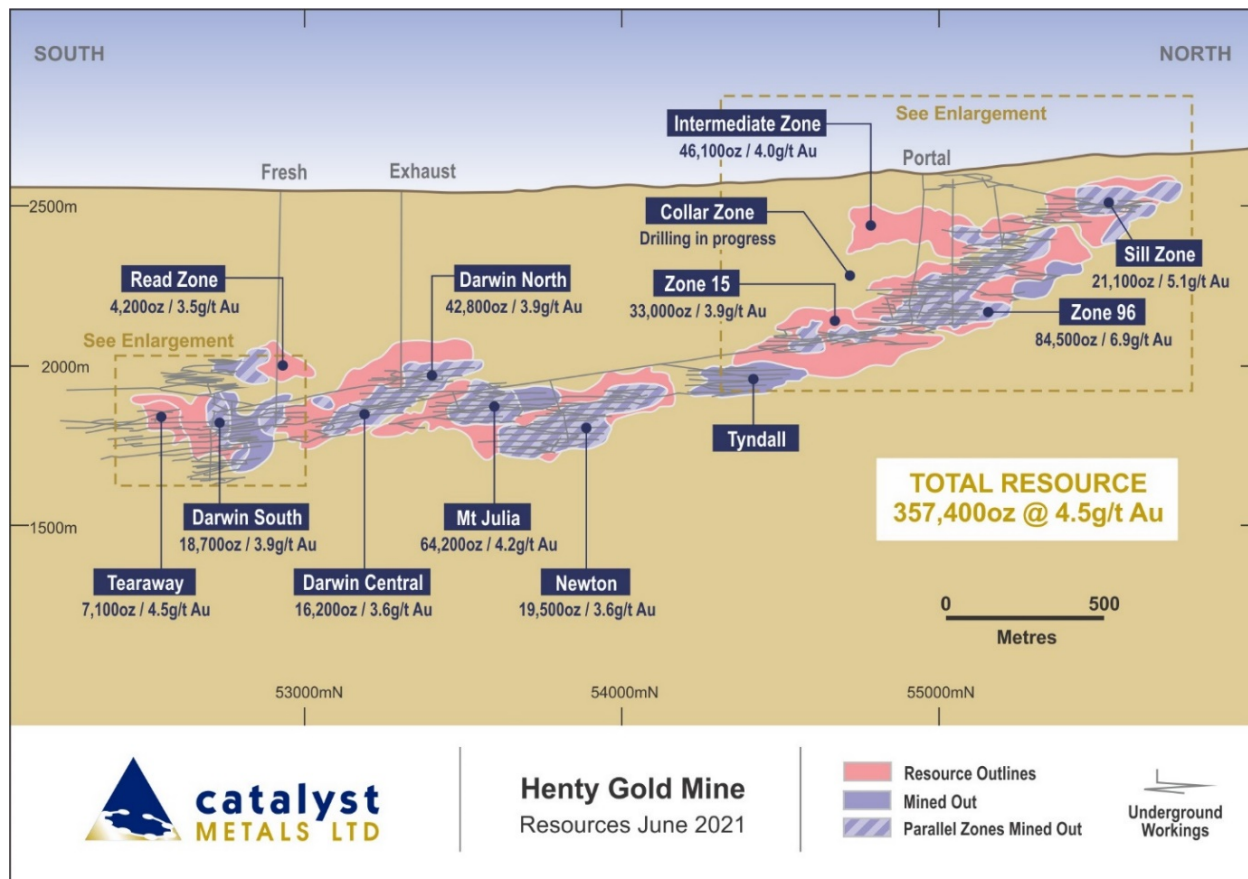
(2) On this basis the September 2021 sustaining cost (\$60) has been re-calculated at \$253

**Table 3 – Key operational parameters**

<b>OPERATIONS</b>	<b>September Qtr</b>	<b>December Qtr</b>	<b>FY22 YTD</b>
<b><i>Mining</i></b>			
Total Mined (t)	94,898	81,541	<b>176,439</b>
Ore Mined (t)	51,851	50,090	<b>101,941</b>
Mine Grade (g/t)	4.9	4.0	<b>4.4</b>
<b><i>Mill production</i></b>			
Processed (t)	49,299	51,686	<b>100,985</b>
Average Head Grade (g/t)	4.6	4.2	<b>4.4</b>
Recovery Gold (%)	92.1	91.5	<b>91.8</b>
<b>Gold Produced (oz)</b>	<b>6,775</b>	<b>6,311</b>	<b>13,086</b>
Gold Sold (oz)	6,366	6,621	<b>12,987</b>
Gold Price Realised (\$/oz)	2,433	2,466	<b>2,450</b>
Cash Cost (\$/oz)	1,621	1,682	<b>1,651</b>
AISC (\$/oz)	2,098	2,219	<b>2,156</b>
Silver Sold (oz)	5,695	5,255	<b>10,950</b>
Silver Price Realised (\$/oz)	32.3	32.1	<b>32.2</b>

## UNDERGROUND EXPLORATION

Exploration activities are being undertaken in Zone 96, Intermediate Zone, Zone 15 and the Darwin Zones.



**Figure 7: Henty longitudinal projection showing resource outlines and area of drilling between October 2021 and December 2021**

On 27 January 2022, Catalyst announced continued exploration success from drilling during the December 2021 quarter. These results were in addition to the high-grade results for the September 2021 Quarter which were reported on 8 November 2021.

During the December quarter, underground diamond drilling continued with three rigs in operation and a fourth due to arrive in February (a further rig conducts surface exploration). Drilling was carried out in the upper part of the mine on Zone 96, Intermediate Zone and Zone 15 as well as on the Darwin Zones at the south end of the mine (Figures 8 and 9).

Drilling on the Intermediate Zone and Collar Zones is showing high grade mineralisation in a new area that can now be drilled from recently completed development drives. This area has the potential to extend southward where old surface drillholes have shown gold zones in the 7g/t to 14 g/t Au range

Of the 117 holes drilled during the December 2021 quarter, the majority contained gold mineralisation and 42 had intervals greater than 20 g/t Au metres.

Very high gold grade intersections, with at least 50 g/t Au metres, were recorded in eleven of these holes as shown below:

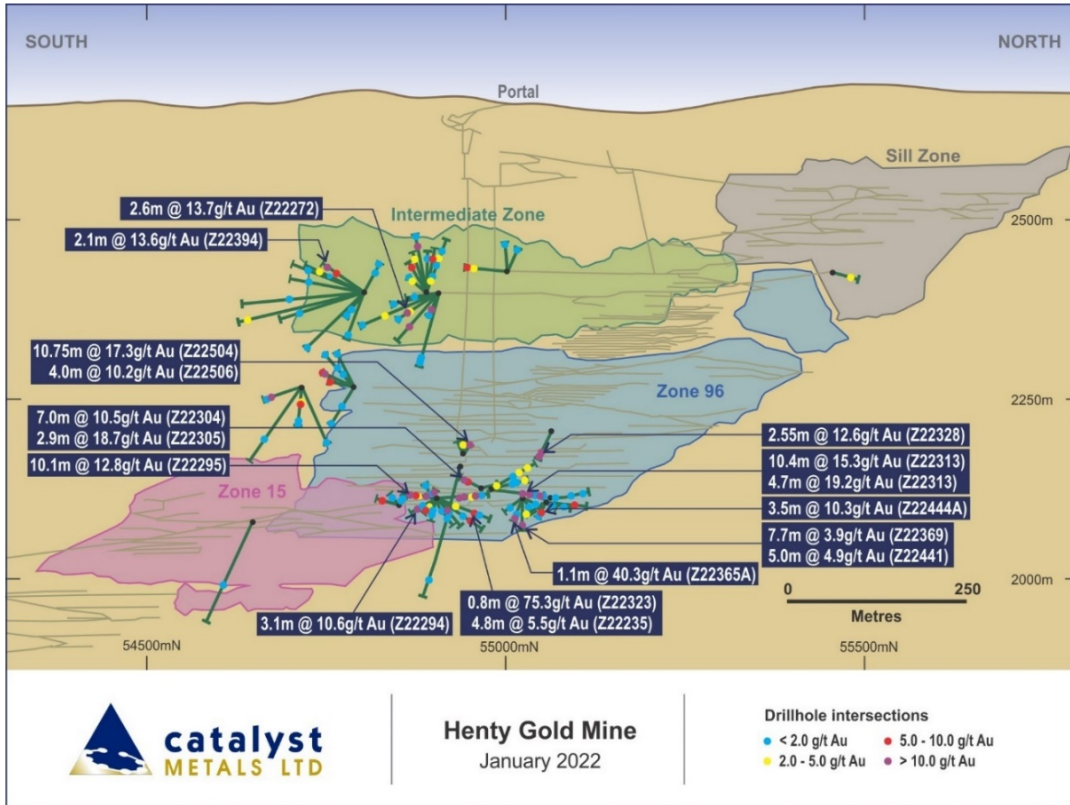
- 10.1m @ 12.8 g/t Au including 1.0m @ 101.4g/t Au (Zone 96)**
- 4.7m @ 19.2g/t Au including 1.0m @ 55.8g/t Au (Zone 96)**
- 10.4m @ 14.8g/t Au including 0.5m @ 83.4g/t Au (Zone 96)**
- 7.1m @ 13.0g/t Au including 0.5m @95.5g/t Au (Darwin South)**
- 1.95m @ 40.8g/t Au (Darwin South)**
- 2.7m @ 24.6g/t Au (Darwin South)**
- 6.2m @ 9.2g/t Au (Zone 96)**
- 2.95m @ 18.7g/t Au (Zone 96)**
- 12.85m @ 4.0g/t Au (Darwin South)**
- 6.75m @ 10.9g/t Au (Zone 96)**
- 3.9m @ 14.9g/t Au (Zone 96)**

The 8 November 2021 high-grade drilling results for drilling conducted during the September 2021 Quarter were released. Drilling targeted three key areas towards the top of the underground ore body - Zone 96, Intermediate Zone and Sill Zone (Figure 8).

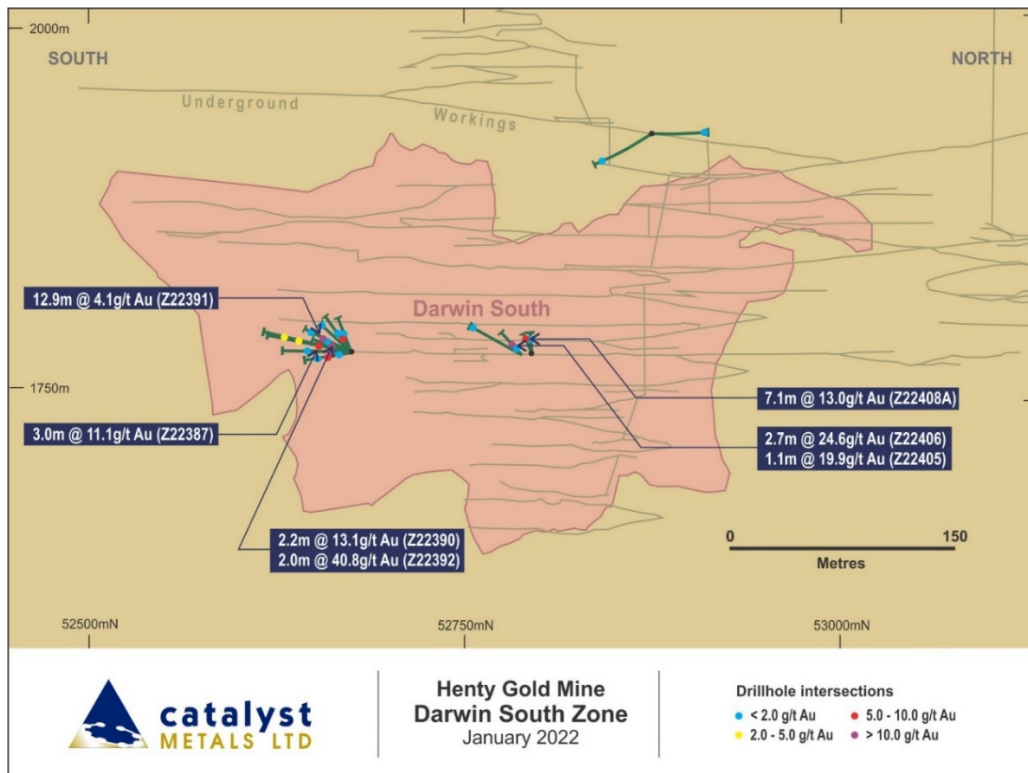
Of the 153 holes drilled during the September 2021 quarter, a majority contained gold mineralisation and 27 contained intervals greater than 20 g/t Au metres.

Very high gold grade intersections were reported in six holes as shown below:

- 2.20m @ 125.8g/t Au including 1.0m @ 260g/t Au (Zone 96)**
- 1.40m @ 47.0g/t Au including 0.7m @ 89.4g/t Au (Zone 96)**
- 1.75m @ 45.8g/t Au (Zone 96)**
- 7.5m @ 11.1g/t Au including 0.6m @ 70.3g/t Au (Zone 96)**
- 2.8m @ 33.2g/t Au including 0.85m @ 104.0g/t Au (Intermediate Zone)**
- 2.4m @ 22.2g/t Au (Intermediate Zone)**



**Figure 8: Henty long projection from enlargement in Figure 1 showing significant intersections in drill holes completed in the December '21 Quarter**



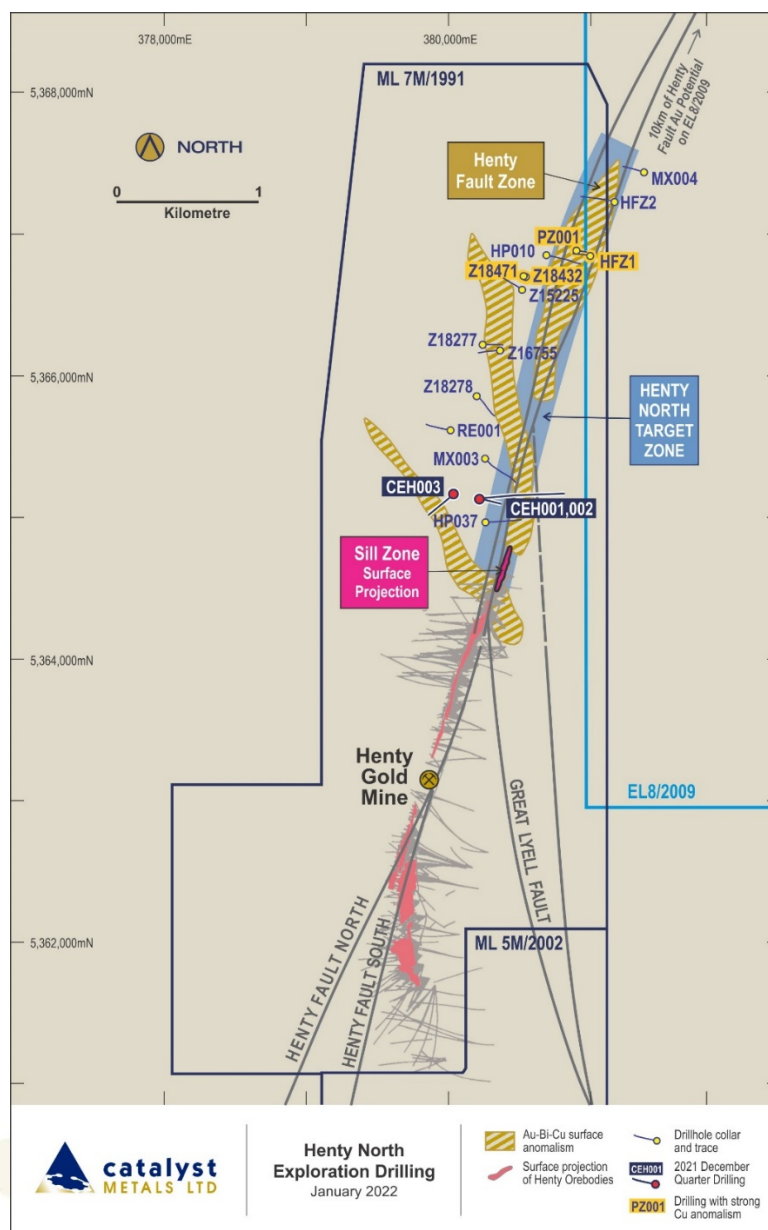
**Figure 9: Darwin South long projection from enlargement in Figure 1 showing significant intersections in drill holes completed in the December '21 Quarter**

### Surface Exploration - Henty North

By quarter end, three holes of a surface drilling programme to test potential for mineralised extensions in the Henty Mine corridor north of the mine, were completed for a total of 1,323.2m (Figure 10).

The drilling has confirmed the presence of strong Henty style alteration 250m north of the Sill Zone in chemically receptive Zig Zag Hill epiclastic rocks which host some of the mineralisation within the northern end of the mine.

The drilling also revealed a previously unknown north-west oriented structural inflection in the Henty Fault associated with significant deformation over a 70m zone downhole. This is interpreted to represent an interfering cross-structure or structures. These holes are undergoing detailed structural analysis prior to sampling and assaying.



**Figure 10: Henty long projection showing underground drilling status at the end of September 2021.**

### *Looking Forward*

Catalyst is studying the feasibility of supplementing its 2022/23 mine plan with additional high-grade ore from narrow vein orebodies that are not in the current mine plan. The ore zones in question are too narrow to be mined by the twin boom jumbos which are currently in use.

Historically, Henty has produced a significant portion of its production using single boom jumbos and as Henty has a single boom jumbo, a narrow vein long-hole drill rig and two small loaders in its existing mine fleet, any additional capital will be minimal.

The processing plant has a nominal capacity of 300,000tpa. The current mining rate of ~200,000tpa is limited by development access. An additional mining crew has potential to add considerable value due to the high portion of fixed costs that the operation carries.

## CORPORATE

### *COVID-19 MANAGEMENT*

On 15 December 2021, Tasmania's Government opened its borders to all Australian states. This has had a significant benefit to Catalyst's movement of employees in and out of Tasmania.

The health and safety of our employees, contractors, families, and the local communities remains the Company's highest priority. Catalyst continues to maintain effective site-appropriate health and safety protocols to manage the risks associated with the COVID-19 pandemic. The company continues to follow the respective State and Commonwealth guidance to further mitigate the COVID-19 risk.

### *AGM*

The annual general meeting of the Company was held on 12 November 2021 with all resolutions being approved by shareholders.

Effective after the AGM Mr. James Champion de Crespigny was appointed as a non-executive director replacing Mr Gary Schwab who retired on that date.

### *Financial*

At the end of the December 2021 Quarter, the Company held cash reserves of \$28.0 million.

During the December 2021 Quarter, the Company made payments of:

- \$3.7 million for ongoing exploration and evaluation of the Company's existing exploration and mining projects (including capitalised and expensed expenditure), as well as evaluation of additional project opportunities.
- \$8.9 million for mining and production activities at the Henty gold mine and
- \$0.2 million to related parties, comprising payments to directors for quarterly directors' fees and consulting fees paid to Messrs Kay, Boston and Schwab 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.

Post quarter end, Catalyst paid the final deferred Henty purchase instalment to Diversified Minerals Pty Ltd (Diversified). The amount paid was \$2.2 million, being the final \$3.0 million acquisition instalment less the Henty net working capital adjustment of \$0.8 million (resulting from the Henty acquisition), which Catalyst and Diversified agreed to offset against the final \$3.0 million instalment. The Contingent Consideration payment remains outstanding and is due to be paid in the June 22 quarter.

Authorised for release by the Board of Catalyst Metals Limited.

**For further information contact:**

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***Corporate summary (at 31 December 2021)***

ASX trading code	<b>CYL</b>
Quoted shares (CYL)	<b>98,455,723</b>
Quoted options (CYLOA)	<b>7,881,996</b>
Unquoted options	<b>250,000</b>
Postal address	<b>PO Box 416 Subiaco, Western Australia 6904</b>
Telephone	<b>(+61 8) 6107 5878</b>
E-mail	<b>admin@catalystmetals.com.au</b>
Web-site	<b>www.catalystmetals.com.au</b>



**Tenement directory as at 31 December 2021**

Project	Tenement	Beneficial interest
<b>Victoria</b>		
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% (farm-out of 50% to St Barbara)
Golden Camel	EL5490 & EL5449	50.1%
<b>Tasmania</b>		
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.		

#### **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:PSV) (January 2008 to March 2011) and Navarre Minerals Limited (ASX:NML) (March 2011 to September 2015) in numerous announcements during the stated periods under the JORC 2004 Code. Catalyst has limited knowledge on how the data was collected but has had to make assumptions based on the available historic data generated by these companies.

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

#### **Competent person's statement**

The information in this report that relates to exploration results is based on information compiled by Mr Bruce Kay, a Competent Person, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Kay is a non-executive director of the Company and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Kay consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

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

#### **JORC 2012 Mineral Resource**

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.