



ASX: CYL

Quarterly Activities Report

Quarter ended 31 March 2020

SUMMARY

- **Four Eagles Gold Project**
Diamond, reverse circulation and air core drilling ongoing with special provisions for COVID-19 pandemic
- **Tandarra Gold Project**
 - New zone of gold mineralisation – the Lawry Zone – 31.0 metres @ 1.2g/t Au (including 1.0 metre @ 10.2g/t Au at quartz refusal)
 - Tomorrow Zone extended southwards by 1.2 kilometres (3.0 metres @ 2.1g/t Au)
 - Macnaughtan Zone also extended by 400 metres to the south (3.0 metres @ 5.3g/t Au)
- **Golden Camel Project**
 - RC drilling beneath the Golden Camel Gold Zone confirmed potential depth extensions (13.0 metres @ 4.0g/t Au including 5.0 metres @ 6.9g/t Au)
 - Review of drilling records beneath the historic Toolleen Gold mine confirmed potential for high grade extensions down plunge (26 metres @ 8.3g/t Au; 7.0 metres @ 10.7g/t Au; 4.5 metres @ 15.9g/t Au)
- **Macorna joint venture initiated with Hancock Prospecting Pty Ltd and Mineral Rights Agreement signed with Providence Gold and Minerals Pty Ltd**
- **Detailed gravity survey covering large area of Boort Project**
- **St Barbara Limited suspends all world exploration at 31 March 2020 because of COVID-19 pandemic after only 4 days drilling at Drummartin Project.**
- **Catalyst in joint venture with Hancock Prospecting Pty Ltd submitted tender documents for three Blocks in the North Central Victorian Gold Tender**

INTRODUCTION AND OVERVIEW

Catalyst Metals Limited (**Catalyst** or **the Company**) (ASX: CYL) has significant interests in two retention licences (RL's) and twelve exploration licences (EL's) over the Whitelaw Gold Belt - an area approximately 75 kilometres long, and 5-10 kilometres wide commencing immediately north of the outcropping Bendigo Goldfield, and positions around similar deep-crustal structures to the east and west (Figure 1). These licences total some 2,100 square kilometres in area (Figure 1). Under the terms of an agreement with Golden Camel Mining Pty Ltd, Catalyst also has rights to acquire an interest in the Golden Camel Mining Permits MIN5548 and MIN5570 (Golden Camel mine) (Figures 1 and 6).

The Whitelaw Belt is the structural zone thought to control the emplacement of the Bendigo gold deposits, and to extend in generally northerly direction in favourable Ordovician rocks beneath the covering veneer of younger Murray Basin sediments. In particular, the Four Eagles and Tandarra gold projects (respectively about 55 kilometres and 40 kilometres north-northwest of Bendigo) contain gold discoveries similar in style to the historic Bendigo gold deposits (Figure 1). In addition to these gold discoveries, this belt and adjacent similar structures remain largely untested and highly prospective for the discovery of new gold deposits of Bendigo or Fosterville styles.

MARCH 2020 QUARTER EXPLORATION PROGRAMS

The 2019/20 drilling programs continued throughout the quarter, concentrated on the Four Eagles and Tandarra projects and at Golden Camel. In addition, geophysical surveys were undertaken at the Four Eagles project (seismic), and Drummartin and Boort projects (gravity).

FOUR EAGLES JOINT VENTURE (RL006422, EL5508, EL5295, EL006859) (CATALYST 50%)

Catalyst holds a 50% 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 EL's comprises the Four Eagles Gold Project and covers an envelope of gold mineralisation approximately 6 kilometres long and 2.5 kilometres wide. Three prospects have produced high grade gold mineralisation (Hayanmi, Boyd's Dam-Boyd North and Pickles) while another to the south-west (Cunneens) has recently revealed significant gold grades distributed along a 3 kilometre strike length (Figures 1 and 2).

Diamond Drilling

Diamond drilling has been completed of a stratigraphic section of three deep 500-metre holes between Boyd's Dam and Hayanmi to enable the structural interpretation and test if an intermediate fertile anticline is present (Figure 2).

Reverse Circulation Drilling

Reverse circulation (RC) drilling program (12 holes, 1,521 metres) has tested extensions of the Boyds Dam prospect and has successfully demonstrated the technical feasibility of testing mineralisation by this technique to depths approaching 300 metres, almost double the depths regularly drilled by RC (Figure 2).

Air Core Drilling

Air core drilling (93 holes, 9,548 metres) tested extensions to the north and south of the main Boyd's Dam mineralised zone; infilled existing drilling at Boyd North and Hayanmi; and infilled reconnaissance drill traverses at Cunneens prospect (Figure 2). Drilling is continuing at Boyd South, Hayanmi and the Cunneen prospect into the June 2020 Quarter.

In all cases data was incomplete and evaluation continuing at the end of the quarter.

2-D Seismic Survey

A seismic survey was conducted along two roads spanning the retention license area, and one road providing north-south strike coverage to tie in the seismic profiles (Figures 2 and 3). The acquired data will be processed and interpreted in the June 2020 Quarter and will form the basis for future drill targeting.

TANDARRA JOINT VENTURE (RL006660 CATALYST 51%)

Catalyst (through its 100%-owned subsidiary Kite Operations Pty Ltd) holds a 51% interest in the Tandarra Gold Project whilst Navarre Minerals Limited (**Navarre**) (ASX: **NML**) retains a 49% interest. Catalyst manages the joint venture with expenditures jointly funded by Catalyst and Navarre in their respective proportions.

2019-20 Air Core Drilling

An initial reconnaissance program comprising AC traverses spaced at 100 to 200 metres (in total 86 holes, 9,956 metres) was completed across the southerly projection of the Tomorrow and Macnaughtan gold zones (Figures 4 and 5). Gold mineralisation was encountered which defined extensions of 1,200 metres beyond the previously known southern limit of the Tomorrow Zone, and 400 metres beyond the previously recorded southern limit of Macnaughtan zone, in each case remaining open to the south (Figure 5).

In addition, a new zone of mineralisation, named the Lawry Zone, was revealed some 400 metres to the east of the Tomorrow Zone Extension (Figure 5). The mineralisation is outlined on two traverses 200 metres apart and is highlighted by a wide zone of quartz-hosted gold mineralisation in air-core hole ACT378 which terminated, at refusal, in massive impenetrable quartz grading 10.15g/t Au. The zone remains open to north, south and at depth.

Best intersections returned from the Lawry zone were:

- **31.0 metres @ 1.24g/t Au (including 5.0 metres @ 2.40g/t Au and 1 metre @ 10.15g/t Au) from 56 metres in ACT378**
- **2.0 metres @ 1.68g/t Au from 91 metres in ACT376**
- **1.0 metres @ 1.45g/t Au from 71 metres in ACT381**

Best Intersections returned from Tomorrow and Macnaughtan Zones included

- **2.0 metres @ 1.84g/t Au from 125m and 2.0 metres @ 1.49/t Au from 69 metres in ACT373 (Tomorrow)**
- **3.0 metres @ 2.1g/t Au from 78 metres in ACT458 (Tomorrow)**
- **3.0 metres @ 5.25g/t Au from 102 metres in ACT444 (Macnaughtan)**
- **3.0 metres @ 2.78g/t Au from 96 metres in ACT446 (Macnaughtan)**

Reconnaissance air-core (AC) traverses approximately one kilometre apart were completed between the northern end of Tomorrow-Macnaughtan Zones and the project's northern boundary. Anomalous arsenic values and quartz veining, both commonly associated with gold mineralisation, confirmed the prospectivity of the northern extension of the zone (Figure 4)

Diamond drill testing of extensions to deeper parallel lodes below the main Tomorrow Zone gold mineralisation resumed towards the end of the quarter.

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

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

Golden Camel

A program of reverse circulation drilling completed during the previous quarter included 3 holes targeting the down-plunge extension of the Golden Camel mineralisation. The locations and intersections recorded in these holes are shown in Figures 6, 7 and 8.

Catalyst's drill hole RCG 18, the deepest yet drilled on the prospect, intersected a zone of massive sulphide (pyrite and arsenopyrite) from 101 metres downhole which **assayed 4.0g/t Au over 13 metres and values up to 11g/t Au**. Catalyst's second drill hole RCG019 also contained a 6-metre zone of gold mineralisation but grades were lower and averaged 0.9g/t Au (Figures 7 and 8). Refer ASX announcement dated 31 March 2020.

These results complement a number of historic gold intersections from shallower depth below the Golden Camel open pit workings (Figures 7 and 8).

Toolleen

Previous data recorded over the past 50 years by multiple previous miners and explorers at the Toolleen mine-site were compiled into a new database for interpretation and target generation.

The interpretation of the historic drill results shows some high-grade gold intersections that are virtually untested to the south along strike and down plunge, as shown on Figures 9 and 10, with some of the intersections listed below (refer ASX announcement dated 31 March 2020):

- **30.8 metres @ 1.8g/t Au from 97.5 metres in BH1**
- **7.0 metres @ 10.7g/t Au from 124 metres downhole in BH4**
- **26.0 metres @ 8.3g/t Au from 84.7 metres downhole including 3.9 metres @ 39g/t Au in BH2**
- **4.5 metres @ 15.9g/t Au from 90 metres and 3.2 metres @ 7.5g/t Au from 100.5 metres in T48**
- **7.2 metres @ 9.6g/t Au from 76.8 metres downhole in T30**
- **9.8 metres @ 5.1g/t Au from 100.7 metres in T49**
- **16.0 metres @ 2.3g/t Au from 188.0 metres in V25-3**

Drilling is planned to test targets generated by this project, which subject to access being authorised and seasonal conditions, is scheduled to be undertaken during the June 2020 quarter.

Regional Reconnaissance RC Drilling (EL5449 and EL5490)

Three traverses totalling 17 RC drill holes (total 1,332 metres) were completed on the Exploration Licences during the December 2019 Quarter (Figure 6). Low grade gold mineralisation was recorded in several holes and may be significant enough at this early exploration stage to require follow-up in later programs. The better results listed below were reported from the north of EL5490, in the vicinity of the reconnaissance encouragement reported to ASX on 18 October 2018 (Figure 6):

- **4.0 metres @ 2.81g/t Au from 32 metres and 2.0 metres @ 0.59g/t Au from 64 metres in RCG009**
- **1.0 metres @ 4.2g/t Au from 16 metres in RCG002**
- **1.0 metres @ 3.0g/t Au from 33 metres downhole in RCG004**

MACORNA PROJECT (EL5521 AND EL006894) (CATALYST 100% COMMENCING JOINT VENTURE)

Planning has been undertaken for a program of AC drilling proposed to be carried out at a time to be determined.

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

Following strongly supportive access approvals from landowners, detailed gravity survey of a substantial part of the Boort EL was in progress at the end of the March 2020 Quarter and will be completed during the June 2020 Quarter.

DRUMMARTIN (EL006507 CATALYST 100% COMMENCING JOINT VENTURE)

The earn-in and joint venture agreement (EIJVA) over the Drummartin EL006507 (Figure 1) entered into by Catalyst with ASX-listed gold producer, St Barbara Limited (**St Barbara**) (ASX: **SBM**) was approved by shareholders at a general meeting of the Company held on 21 February 2020. St Barbara is the manager of the project.

Following interpretation of the results of a detailed gravity survey, drilling of several identified targets commenced, until its continuation was suspended after four days under St Barbara's corporate response to the emergence of the COVID-19 pandemic.

NORTH CENTRAL VICTORIAN GOLD (NCVG) TENDER

In late November 2019, the Victorian Government announced that it would release four exploration blocks under a tender process (NCVG Tender). These blocks are shown on Figure 1. In February 2020, Catalyst lodged tender applications for three of these blocks in partnership with Hancock Prospecting Pty Ltd.

It is unknown when the results of this highly competitive tender process will be announced.

COVID-19 RESPONSE

The Company has recently introduced new precautions to limit the risk of contracting or spreading Coronavirus including limited team interaction, cleanliness, and self-isolation where possible during field breaks. Fortunately, most of the Catalyst staff are based locally in Bendigo which provides a significant advantage over other teams which need to travel across borders and enables the continuation of the drill program.

PROGRAM FOR JUNE 2020 QUARTER

Subject to seasonal weather, the intensive 2020 drilling campaign is expected to continue at Boyd's Dam, Tandarra and the Golden Camel projects until May/June 2020 and possibly longer with results released as assays are received and assessed for each program.

CORPORATE

In February 2020, a general meeting of shareholders of the Company approved the earn-in and joint venture agreement over the Drummartin project with St Barbara Limited and ratified a previous share placement completed in November 2019.

During the March 2020 Quarter 7,202 quoted options were exercised into ordinary shares at an exercise price of \$2.45 each.

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Corporate summary (at 31 March 2020)

ASX trading code	CYL
Quoted shares (CYL)	82,399,646
Quoted options (CYLOA)	7,882,048
Unquoted options:	1,000,000
Cash balance at end of quarter	\$20.6 million
Postal address	PO Box 778 Claremont, Western Australia 6910
Telephone	(+61 8) 6263 4423
Facsimile	(+61 8) 9284 5426
E-mail	admin@catalystmetals.com.au
Web-site	www.catalystmetals.com.au

Tenement directory

Project	Tenement number	Beneficial interest
Victoria		
Four Eagles	RL006422	50%
	EL5295	50%
	EL5508	50%
	EL006859	50%
Macorna Bore	EL5521	100% (farm-out of 50% to GEV)
Tragowel	EL006894	100% (farm-out of 50% to GEV)
Boort	EL006670	100% (farm-out of 50% to GEV)
Tandarra	RL006660	51%
Raydarra East	EL5509	100%
Sebastian	EL5533	100%
	EL007214	100% (application)
Raydarra	EL5266	51% (earning in via farm-in agreement)
Drummartin	EL006507	100% (farm-out of 50% to St Barbara)
Golden Camel	EL5490	50.1% (earning in via farm-in agreement)
	EL5449	50.1% (earning in via farm-in agreement)

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 code PSV) (January 2008 to March 2011) and Navarre Minerals Limited (ASX code 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.

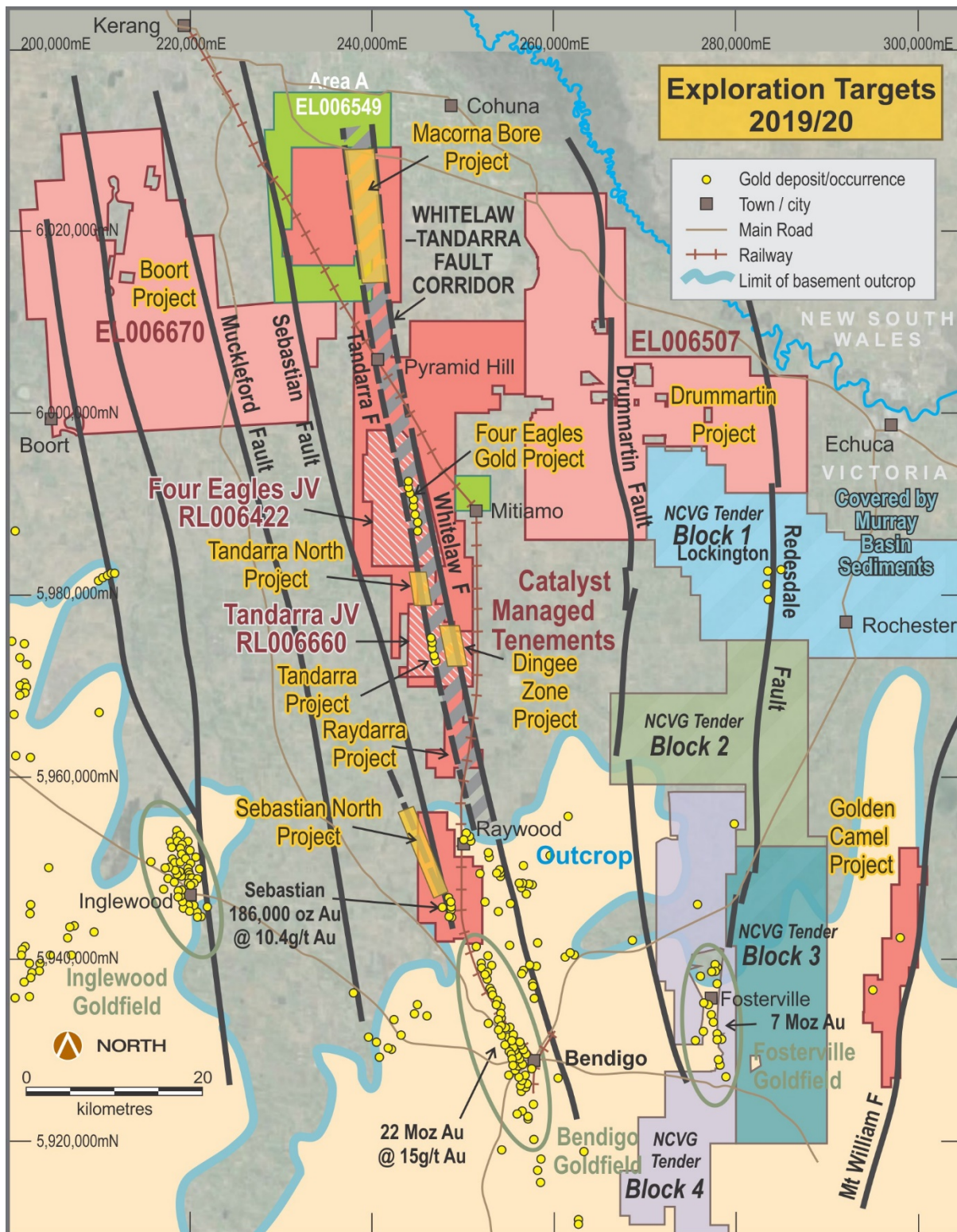


Figure 1: Whitelaw Gold Belt Tenement Holdings showing major Catalyst managed projects

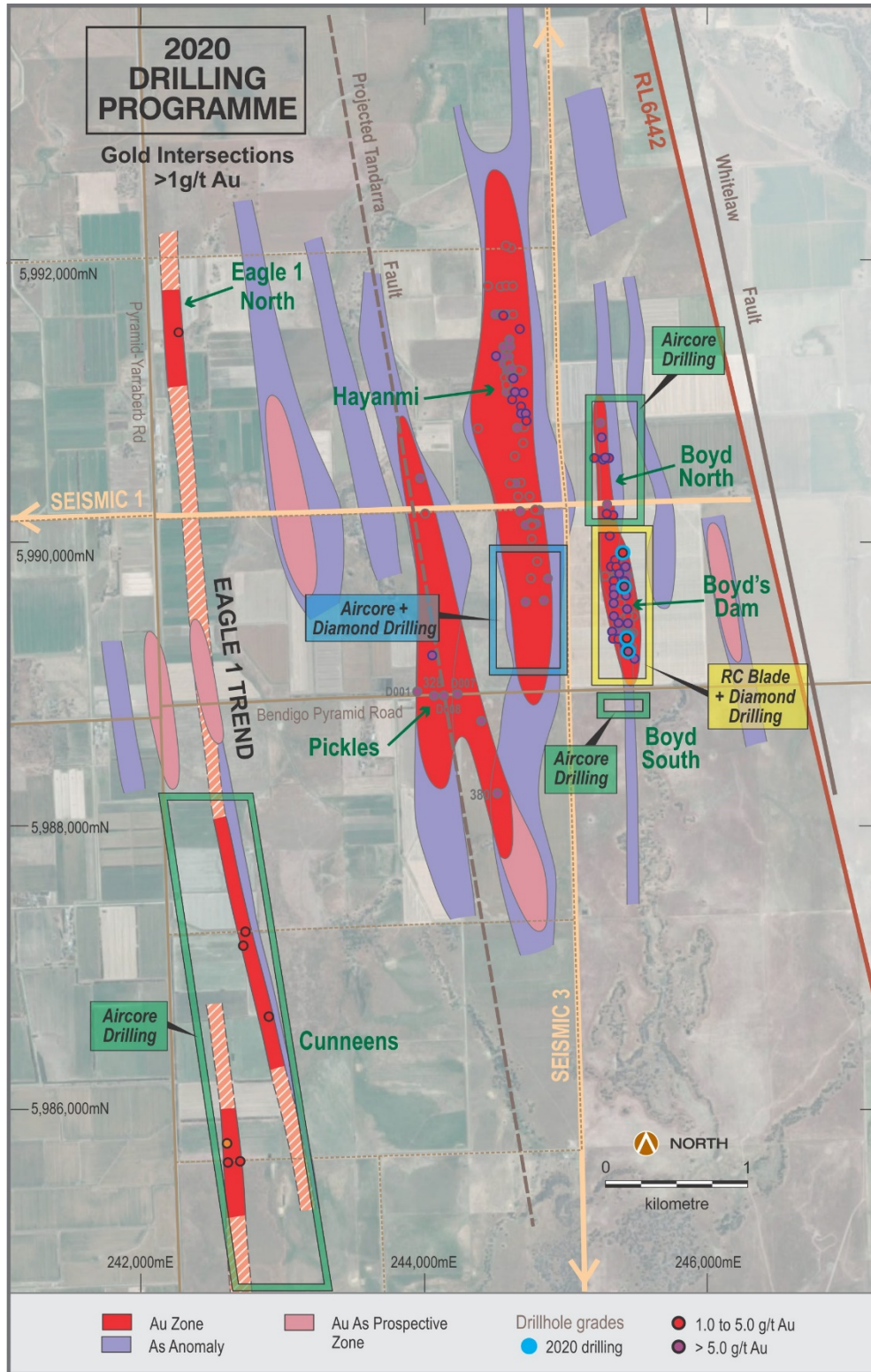


Figure 2: Four Eagles Gold Project showing location of gold trends and prospects, 2019-20 drilling programs and 2D Seismic traverses

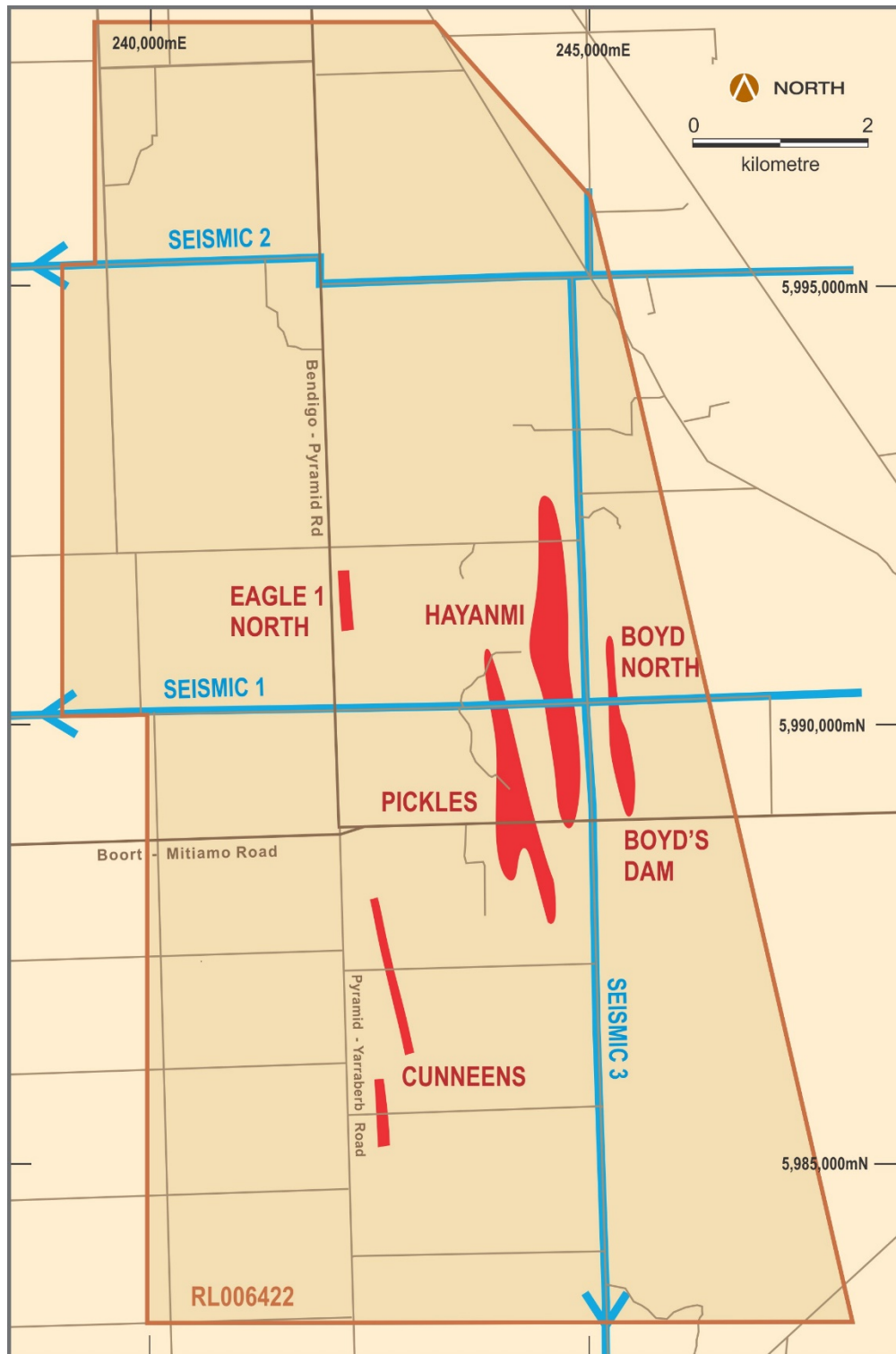


Figure 3: Four Eagles Project RL006422 showing the 2D Seismic Program

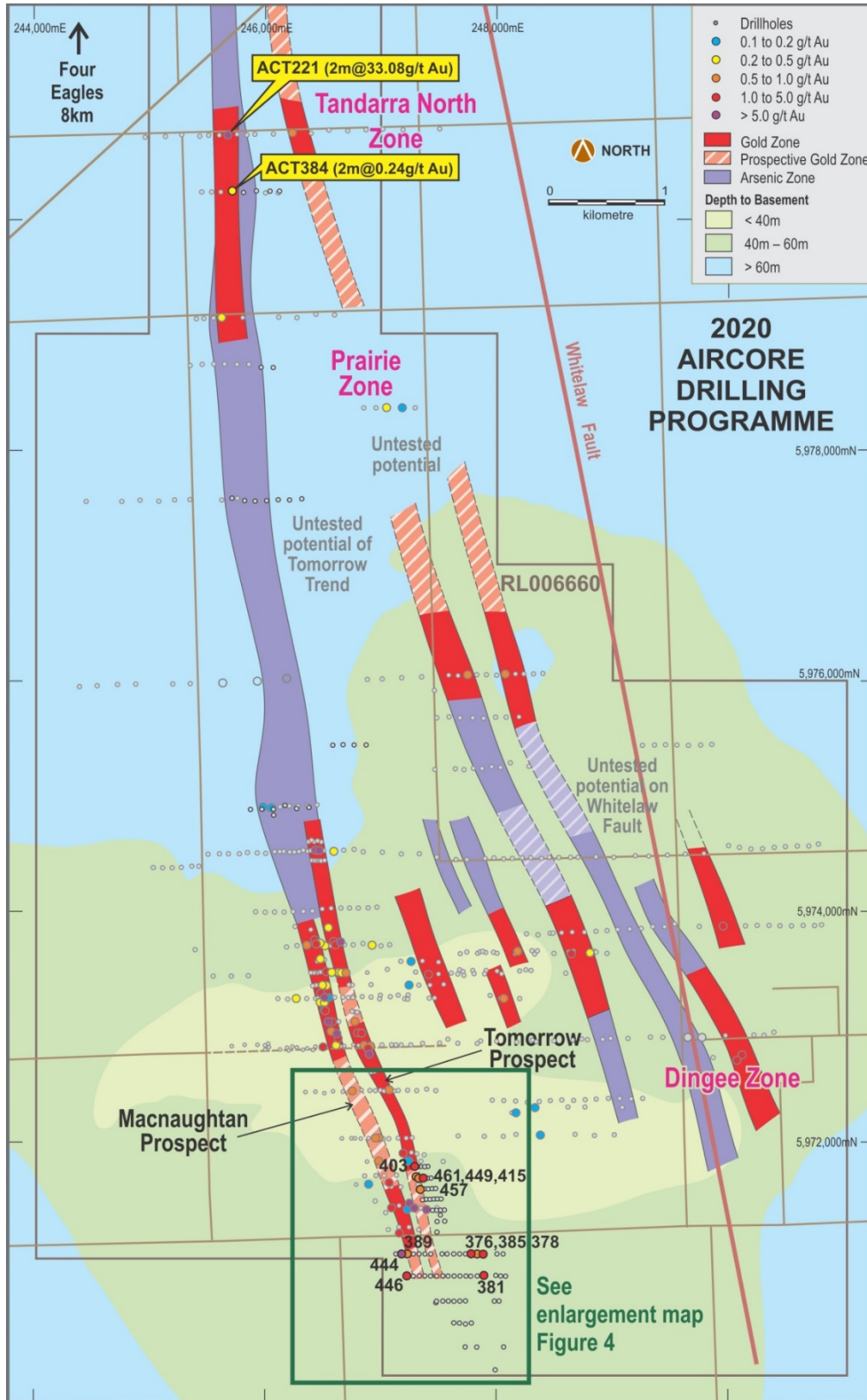


Figure 4: RL006660 Tandarra showing Tomorrow & Macnaughtan Zones, AC drill holes completed in northern and southern drill programs

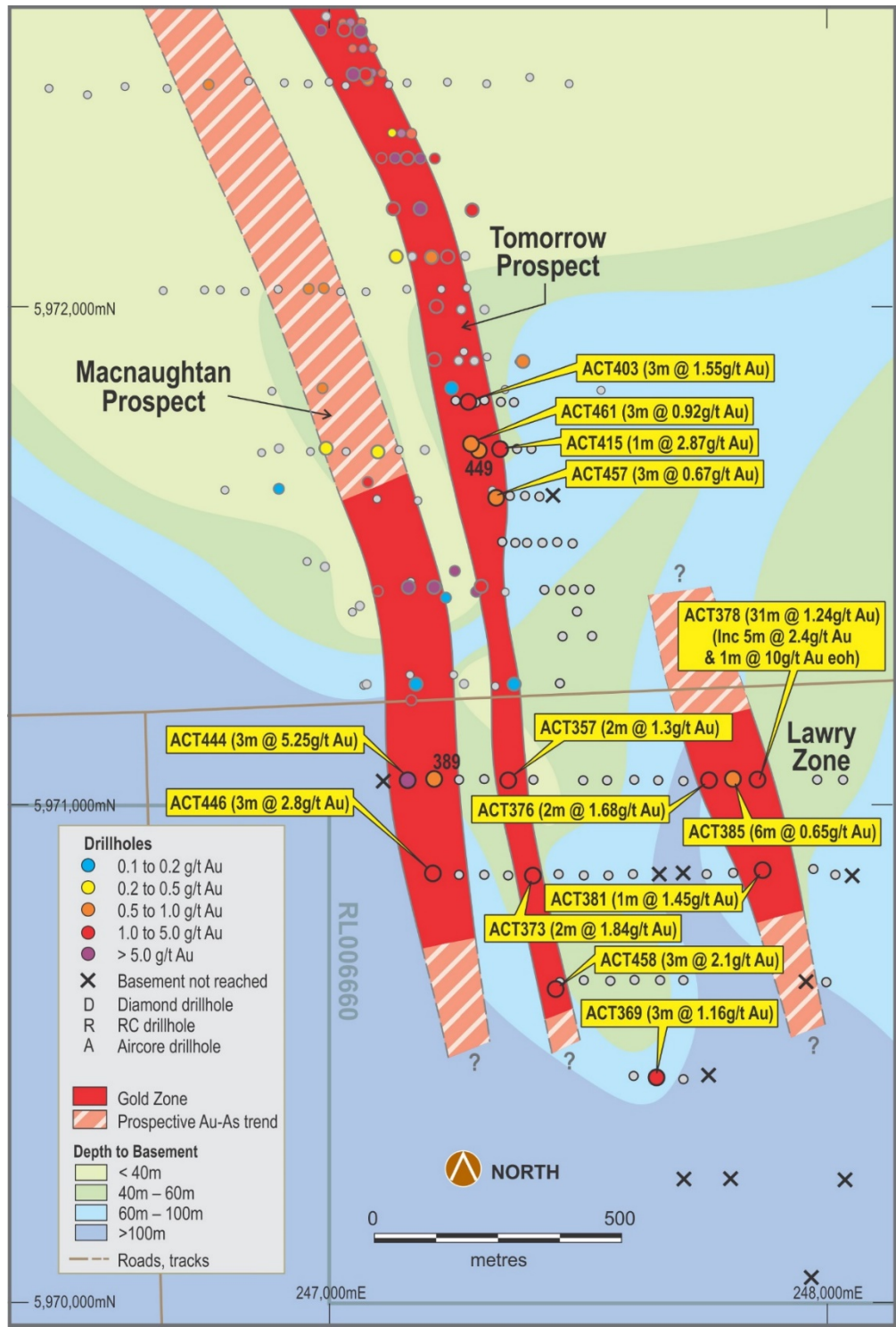


Figure 5: Tandarra - Drill plan for the southern AC program, showing results, main gold intersections interpolated gold trends and depth to basement

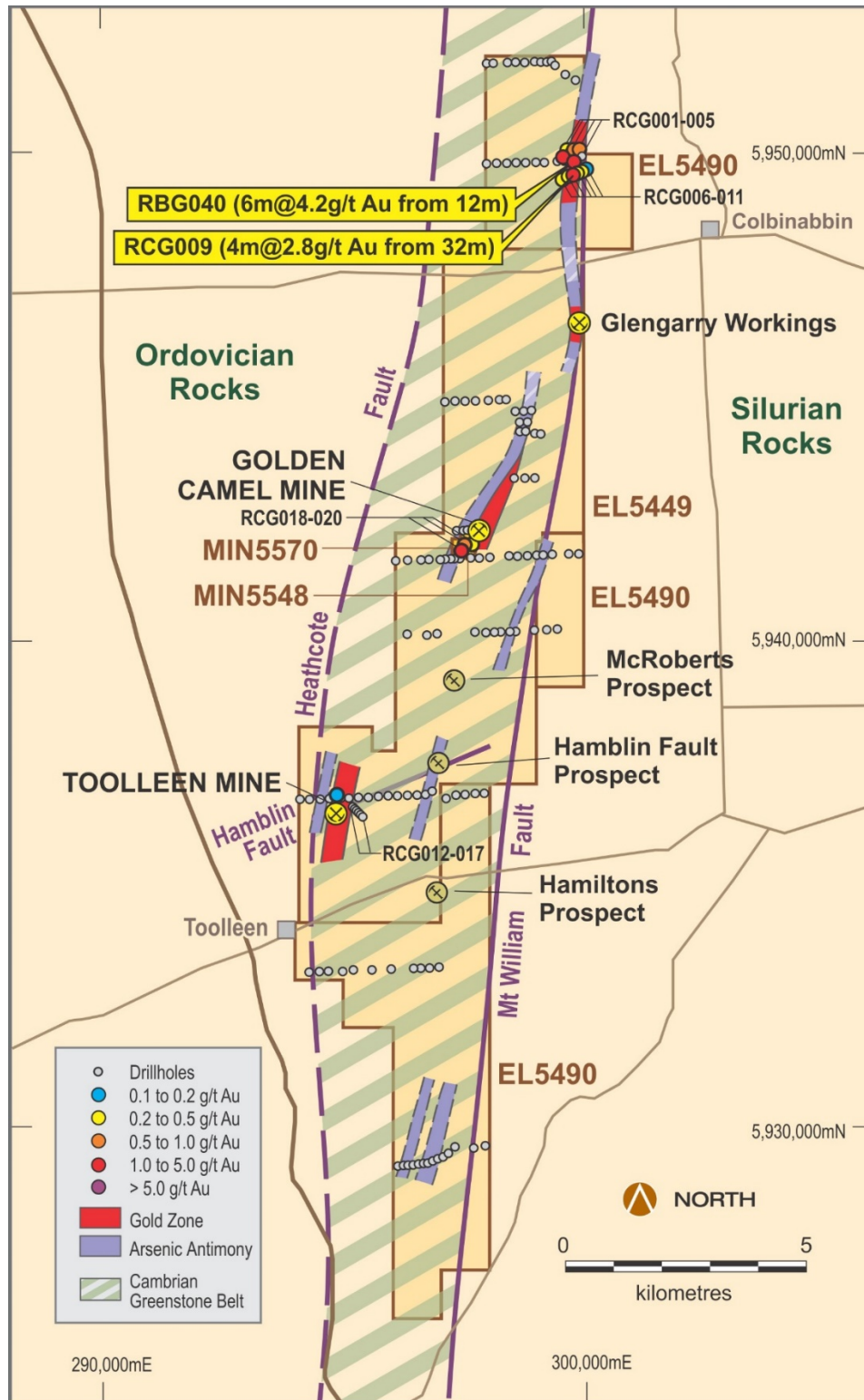


Figure 6: Golden Camel Project showing location of Golden Camel and Toolleen gold zones and RC drilling

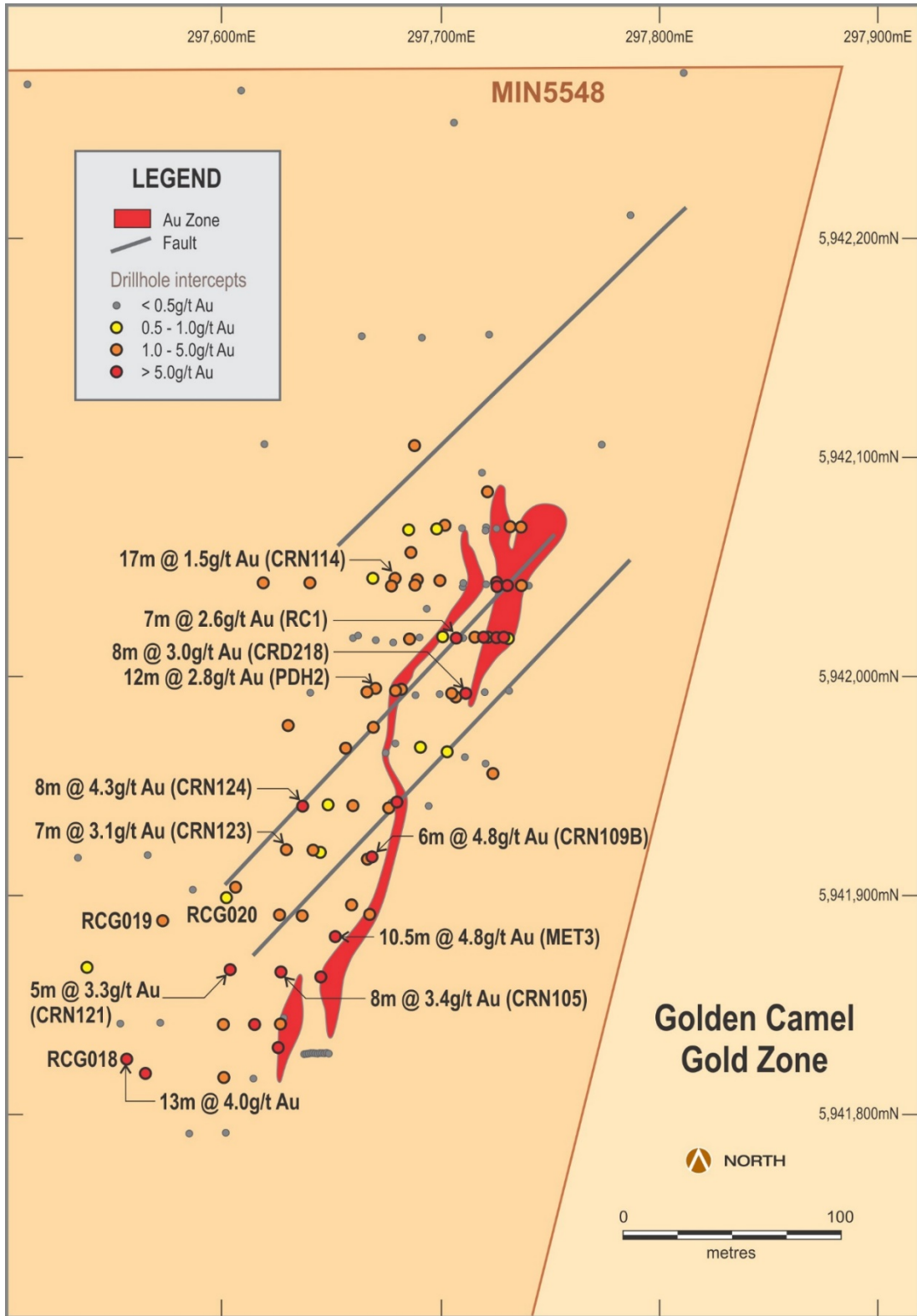


Figure 7: Plan View of Golden Camel Gold Zone showing drill hole collars and significant intersections

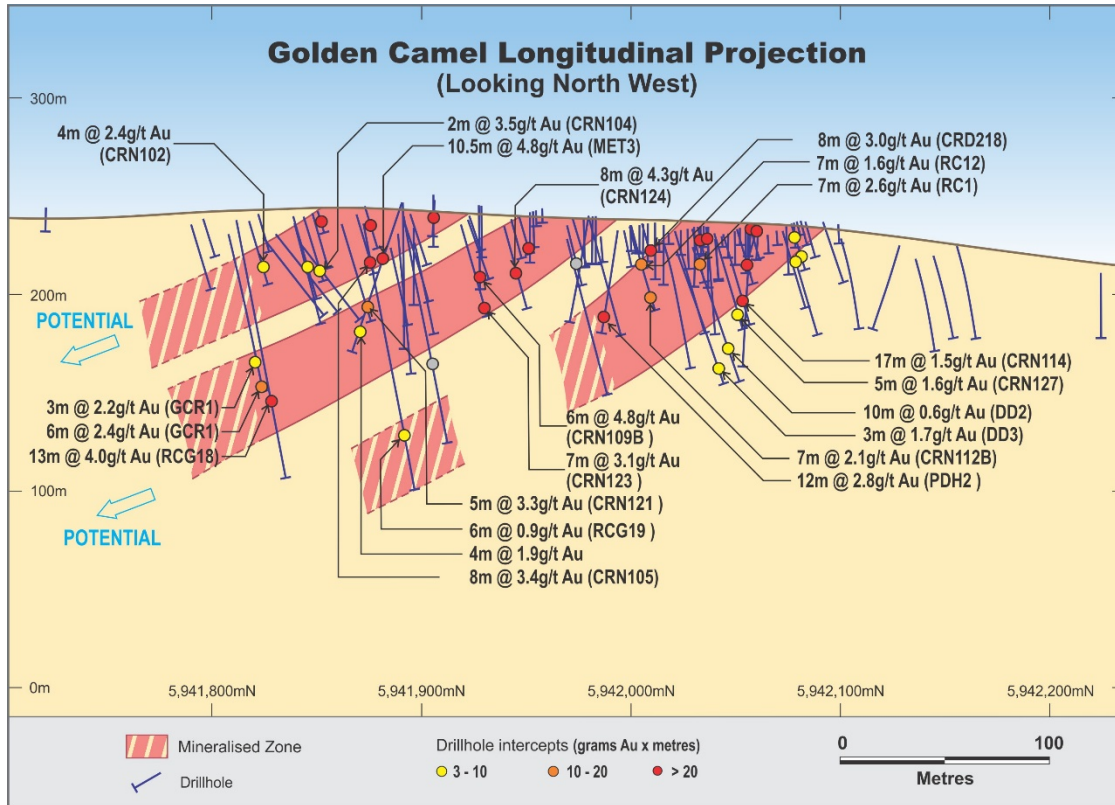


Figure 8: Longitudinal projection of the Golden Camel Gold Zone showing recent intersections and location of historic drillholes

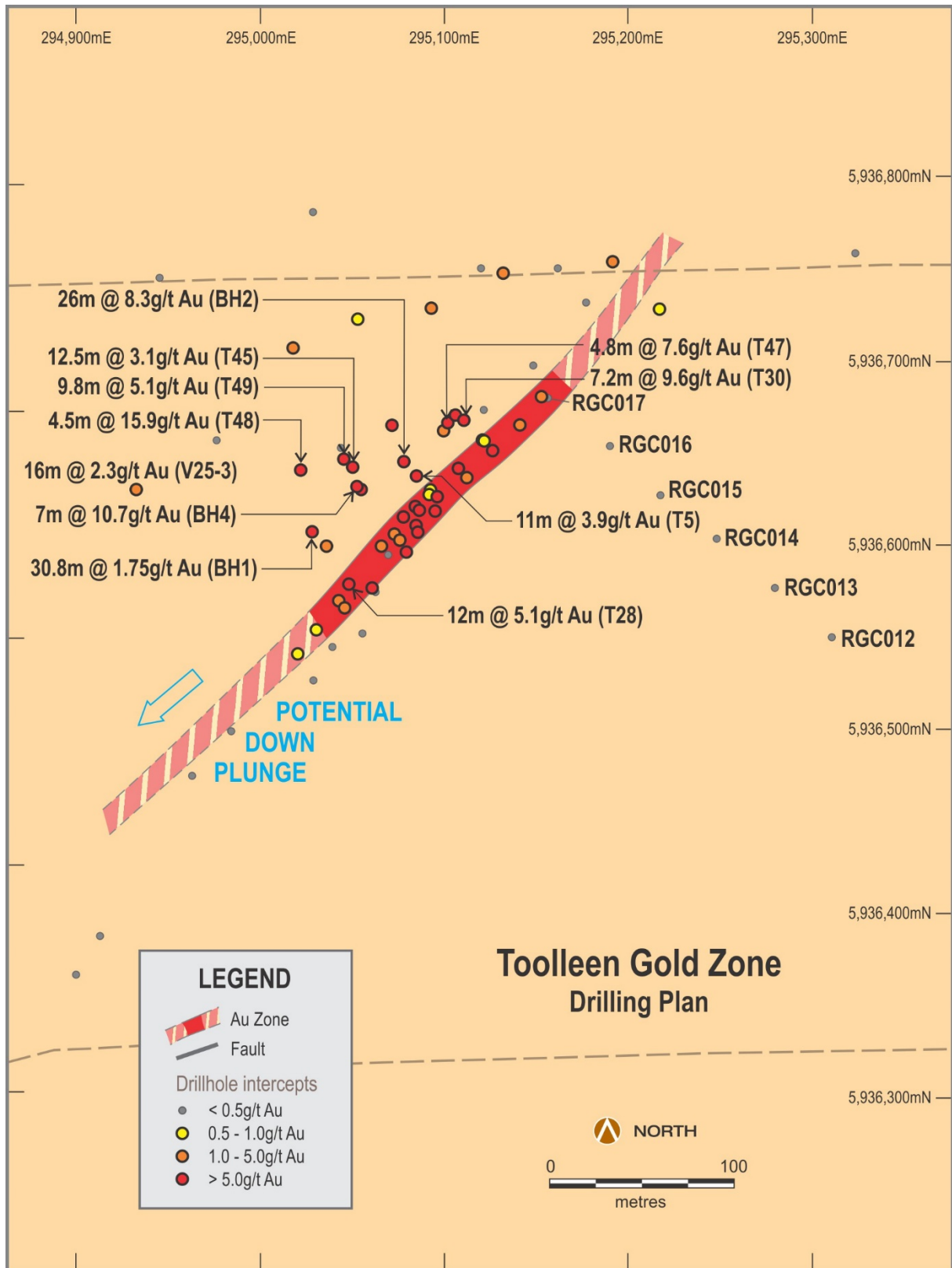


Figure 9: Plan of Toolleen Gold Zone showing historic drilling and significant intersections and location of recent RC drill holes

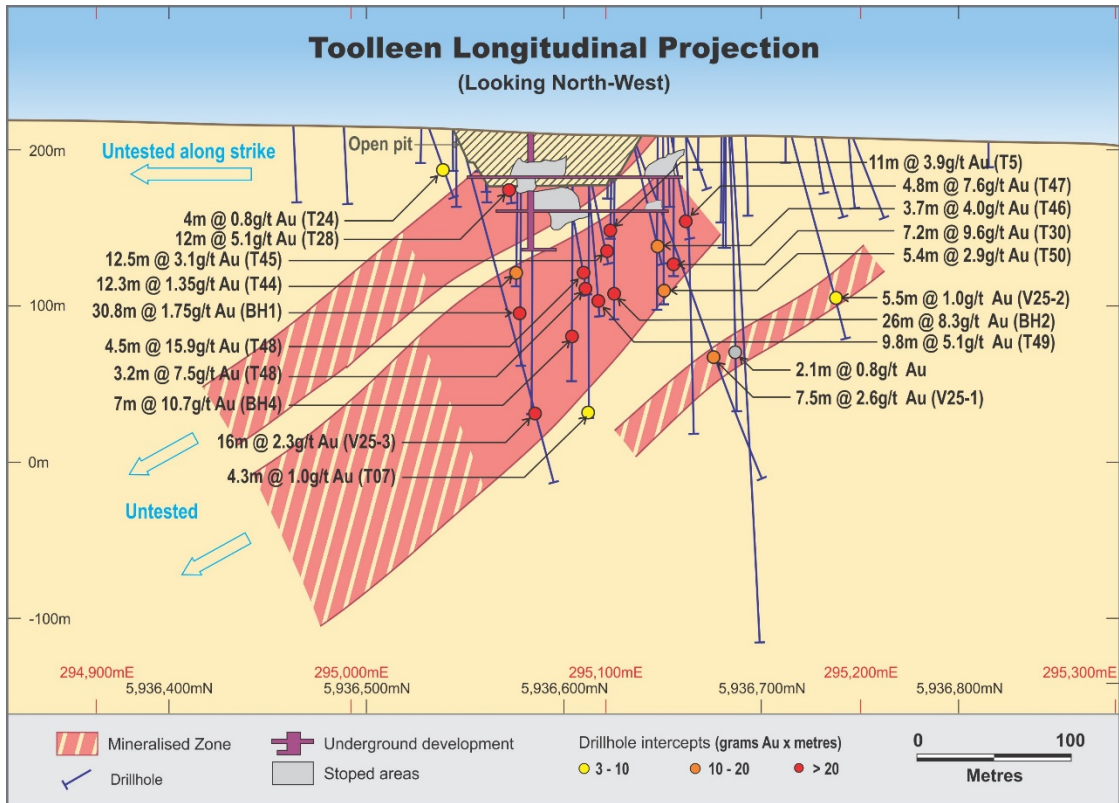


Figure 10: Toolleen Longitudinal Projection showing drill traces and significant intersections