



ASX ANNOUNCEMENT

21 APRIL 2021

HENTY EXCEEDS EXPECTATIONS WITH PRODUCTION OF 5,293 OUNCES AT A CASH COST OF LESS THAN \$1,500 PER OUNCE

- Revenue (unaudited) of \$10.4 million from gold and silver sales for February and March 2021
- Production of 5,293 ounces of gold with two full months production of 4,839 ounces of gold for February and March 2021
- C1 Cash cost for March 2021 reduced to \$1,300 per ounce
- Gold grades for February and March 2021 of 4.9g/t Au and 6.4g/t Au with high recoveries of 94-95%
- Estimated production of 25,000 ounces for calendar year 2021 at a cash cost of less than \$1,500 per ounce

Catalyst Metals Limited (**Catalyst** or the **Company**) (ASX: **CYL**) has made an excellent start to gold production at the Henty Gold Mine (**Henty**) in Tasmania which it purchased on 20 January 2021 with positive operating cash flow achieved from Day 1. Detailed mine planning indicates that this performance can be continued throughout calendar year 2021 and achieve estimated production of 25,000 ounces of gold.

Gold production for February and March 2021 totalled 4,839 ounces at a grade of 5.7g/t Au while achieving metallurgical recoveries of 95%, significantly higher than projected by pre-acquisition modelling. As shown on Table 1 and Figure 1, March performance achieved 2,769 ounces of gold at a grade of 6.4g/t Au and a metallurgical recovery of 94.8%.

This is a major improvement on the production achieved by the previous owner for the financial year to 19 January 2021 which showed grades of 3.23g/t Au and average metallurgical recoveries of 76.1%. Increased gold recoveries have been achieved by reviewing the management of the leach tank environment in the gold plant, including optimisation of the cyanide levels and tailings grades are now less than 0.27g/t Au.

In the 2 months and 12 days of production under Catalyst management, revenue from gold sales has totalled \$11.5 million (unaudited) and C1 cash cost per ounce has reduced from \$1,660 in February to \$1,300 in March 2021. AISC costs per ounce are \$1,875 and \$1,515 for February and March 2021 respectively and these costs include the tailings dam expansion capital. The tailings dam wall uplift is almost complete and on budget and will provide an additional 3 years of production storage capacity.

The Henty Gold Mine recorded zero recordable injuries for the first quarter of 2021 and the Total Recordable Injury Frequency Rate (TRIFR) has continued to decline. An external audit on safety management systems has been undertaken and incremental changes are currently being implemented at the mine in line with Catalyst's requirements.

Exploration drilling is continuing underground and planning is in progress to commence surface exploration on the 25 kilometre strike length to the south and north of the Henty Mine (Figure 1 and Figure 2) with an initial focus on finding near mine resources within the existing mining leases.

Mr Bruce Robertson, Catalyst's Chief Executive Officer stated "Catalyst has made an excellent start as a mine operator at Henty drawing upon the operational and technical experience of all involved during the transition. The business is performing well with a positive operating cash flow achieved since the acquisition.

Assuming Henty's strong performance continues into the future, this positive cash flow will enable self-funding or reinvestment in the future growth at the mine as well as providing funding towards exploration and development of the Company's projects in Victoria. The corporate, operational and technical experience obtained from Henty will contribute significantly towards more effectively evaluating and undertaking any potential future mine development in Victoria."

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

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Competent person's statement

The information in this report that relates to exploration results is based on information compiled by Henty geological staff and reviewed 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.

Henty Summary of Results

Operations	Jan 21 (1)	Feb-21	Mar-21	Mar Qtr	YTD
Mining					
Total Mined (t)	11,204	27,921	28,192	67,317	67,317
Ore Mined (t)	5,827	13,153	12,843	31,823	31,823
Mine Grade (g/t)	5.9	6.0	6.8	5.8	5.8
Mill production					
Processed (t)	4,790	13,976	14,240	33,006	33,006
Average Head Grade (g/t)	3.3	4.9	6.4	5.3	5.3
Recovery Gold (%)	88.8%	94.4%	94.8%	94.1%	94.1%
Gold Produced (oz)	454	2,070	2,769	5,293	5,293
Gold Sold (oz)	474	1,722	2,864	5,059	5,059
Gold Price Realised (\$/oz)	2,417	2,237	2,245	2,258	2,258
Cash Cost (\$/oz)	2,077	1,660	1,300	1,495	1,495
AISC (\$/oz)	2,419	1,875	1,515	1,721	1,721
Silver Sold (oz)	392	1,000	1,715	3,108	3,108
Silver Price Realised (\$/oz)	35.3	34.0	33.0	33.6	33.6

(1) January 2021 results are for the 20-31 January post acquisition period only

Table 1 Henty Gold Mine Production 20 January 2021 to 31 March 2021

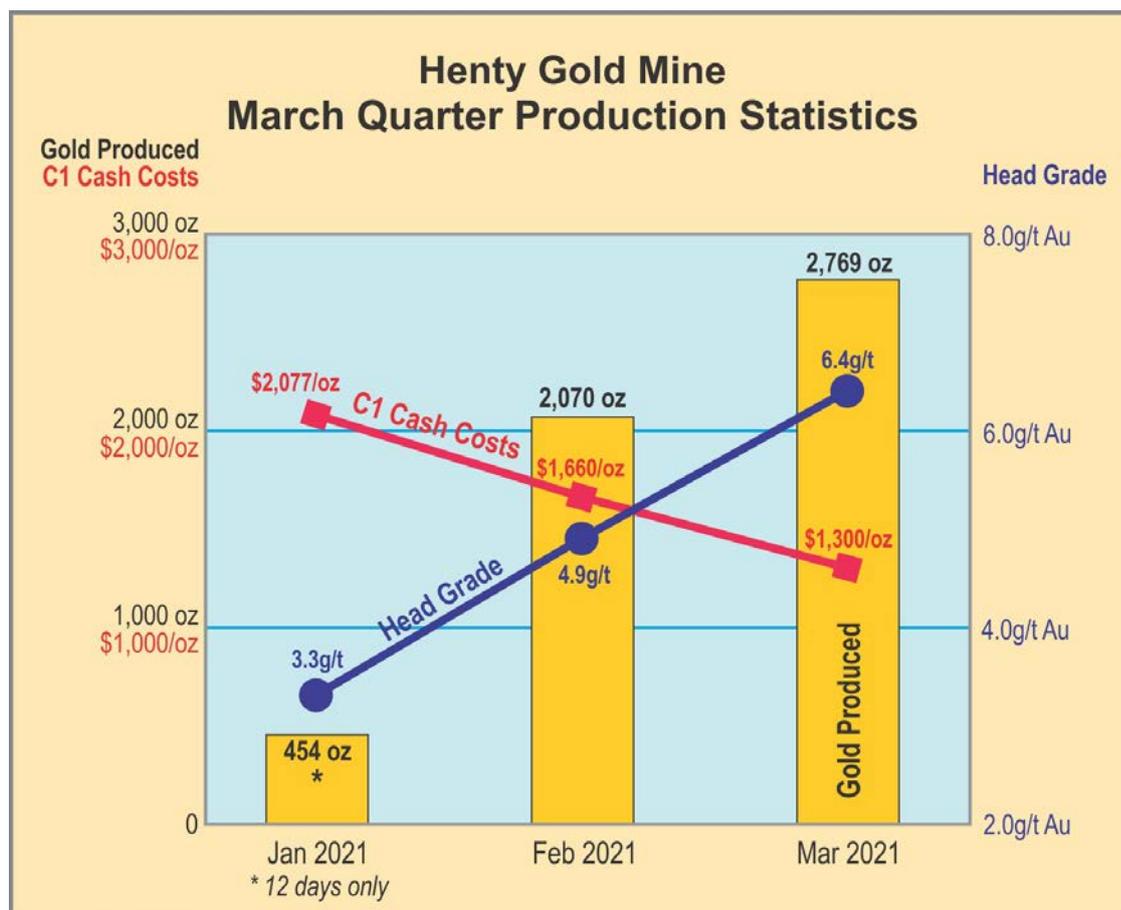


Figure 1 Henty Gold Mine Production, Head Grade and Cash Cost 20 January to 31 March 2021



Plate 1 Aerial View of Henty Gold Mine Tasmania



Plate 2 Gold pour at Henty Gold Mine



Plate 3 Gold Dore Bars at Henty Gold Mine, upper bar 480 ounces, lower bar 360 ounces.

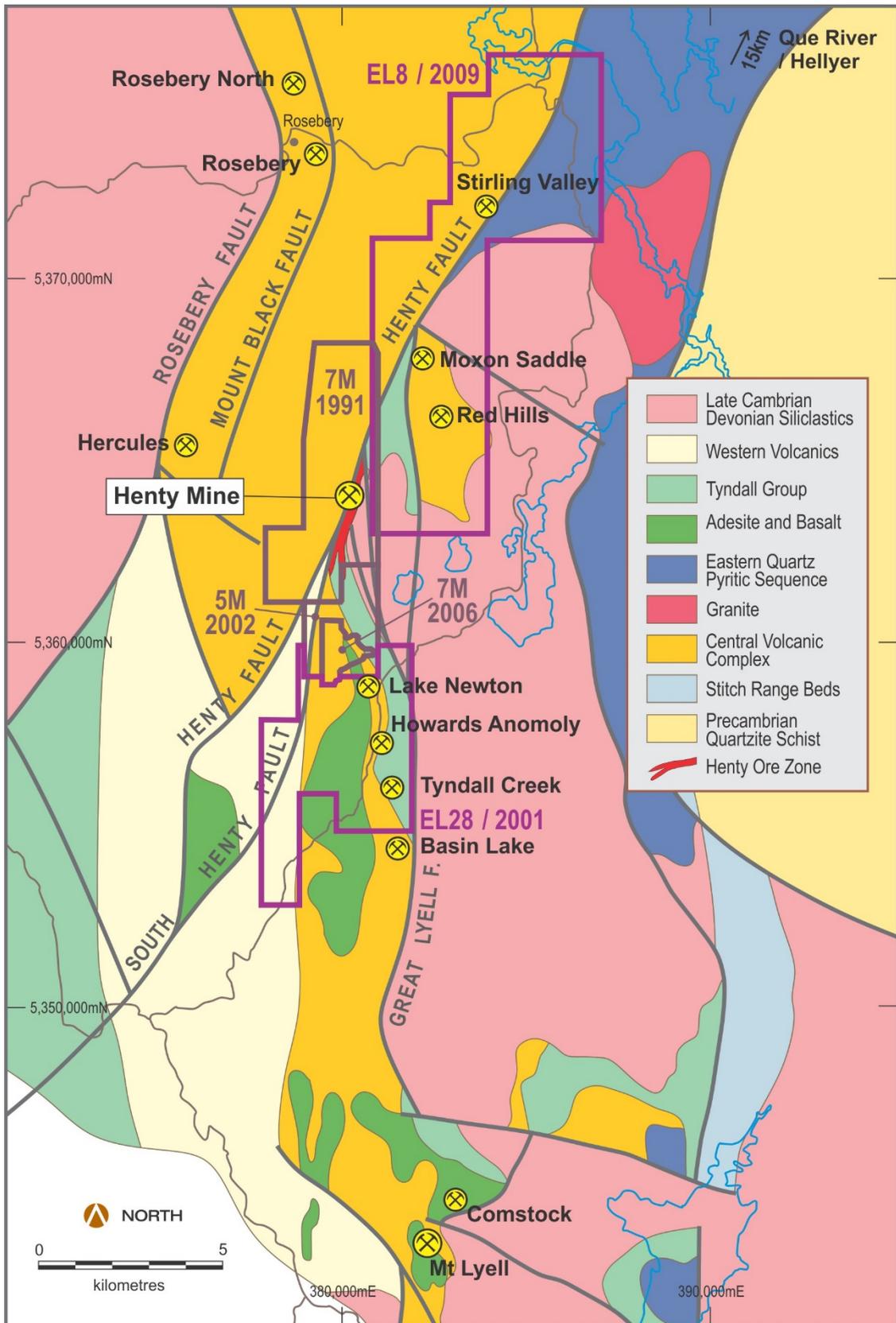


Figure 2: Plan view showing Henty Gold Mine tenements and major faults

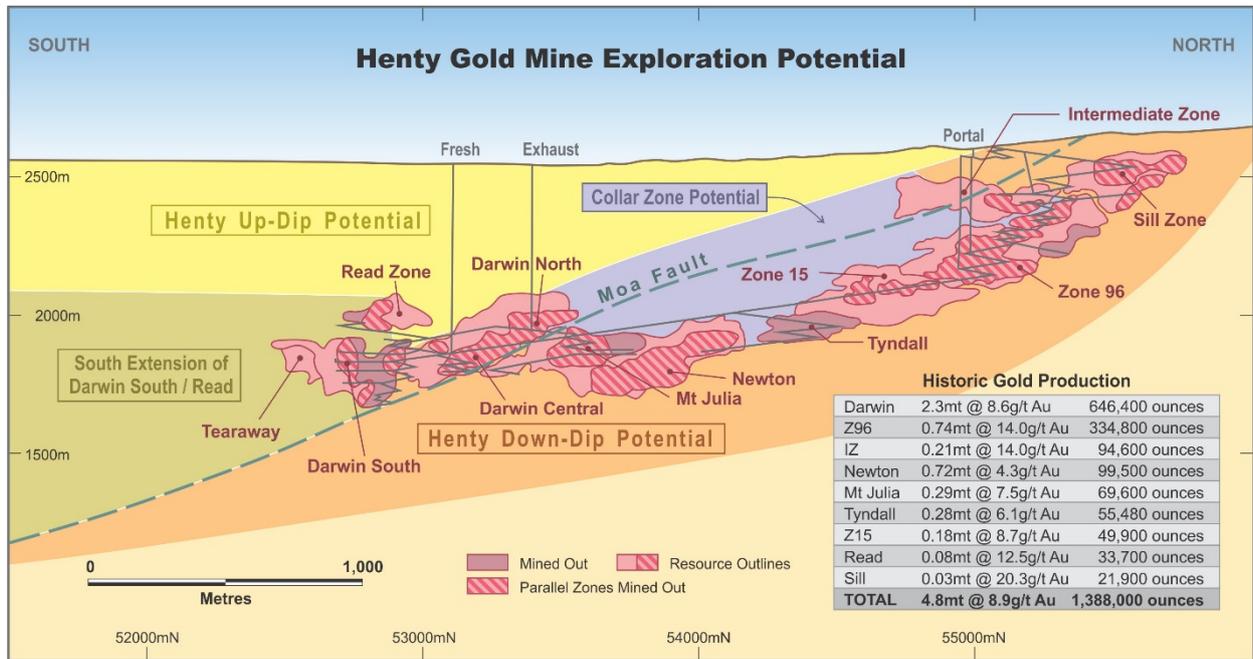


Figure 3: Henty longitudinal projection showing areas of exploration potential to be tested in 2021.