

ASX Release

30 September 2009

ACQUISITION OF 100% OF THE EVERTON MOLYBDENUM PROJECT

Catalyst Metals Limited (ASX Code: CYL) (the "Company" or "Catalyst") is pleased to advise that it has entered into an agreement to purchase the remaining Vendor interest in the tenements containing the Everton Molybdenum Project ("Project"). The acquisition will result in Catalyst having a 100% interest in the Project.

Under the terms of the agreement, consideration to the Vendor will comprise:

1. \$40,000 cash payment;
2. 500,000 fully paid ordinary shares in the issued capital of Catalyst, subject to the approval of shareholders at the Annual General Meeting of the Company; and
3. Catalyst replacing the Vendor's tenement works bond of \$10,000.

PREVIOUS FARM-IN AGREEMENT

Under the terms of the original farm-in agreement for the Project (refer announcement dated 18th February 2008), Catalyst paid the Vendor \$20,000 in cash and \$25,000 worth of fully paid ordinary shares in the Company for the right to farm-in to 51% of the Project by spending \$250,000 over 2 years, including a minimum of 750m drilling.

Catalyst had the right to earn up to 90% of the project by paying a further \$40,000 cash and \$40,000 worth of ordinary fully paid shares in the Company and by spending an additional \$500,000 within the following 2 years. The Vendors' 10% interest was to be free-carried until a decision to mine, after which the Vendor was required to contribute or be diluted. The farm-in agreement continues in force until terminating upon settlement of the new acquisition agreement.

Catalyst Chairman, Stephen Boston said, "Catalyst is pleased to have acquired the balance of the Everton Project at a time of rising interest for steel-metal minerals, such as Molybdenum. A program of diamond and blast-hole drilling is scheduled to begin as soon as all regulatory requirements have been completed."

ENDS

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