



ASX ANNOUNCEMENT

13 MARCH 2012

EXTENSION OF SPP CLOSING DATE AND DRILLING UPDATE

Catalyst Metals Limited (**Catalyst**) (ASX: CYL) advises that the closing date of the Share Purchase Plan has been extended by two weeks to 5:00 pm (WST) on Wednesday, 28 March 2012.

The directors of Catalyst are pleased with the response to the Share Purchase Plan to date and the extension has been granted to ensure all eligible shareholders have an opportunity to participate in the offer.

All directors of Catalyst who are eligible to participate in the Share Purchase Plan have subscribed for their full entitlements under the offer.

The Share Purchase Plan provides eligible shareholders on the share register as at 5.00 pm Perth time on 7 February 2012 with the opportunity to subscribe for between \$5,000 to \$15,000 worth of shares at a subscription price of A\$0.40 per share.

As previously announced, Catalyst intends to undertake a bonus loyalty issue of options to eligible shareholders (**Bonus Issue**) on the basis of one (1) free option for every eight (8) shares held, with each option being exercisable for one fully paid ordinary share at A\$0.50 each and expiring 15 January 2013. All new shares issued under the Share Purchase Plan will be issued and allotted prior to the record date for the Bonus Issue, so shareholders who subscribe for new shares under the Share Purchase Plan will increase their entitlement to the free options issued under the Bonus Issue.

The revised timetable for the Share Purchase Plan is as follows:

Record Date	7 February 2012
Offer opened	15 February 2012
Revised closing date	5:00pm (WST) on Wednesday, 28 March 2012
Revised date of issue of shares under the Share Purchase Plan	Tuesday, 3 April 2012
Revised date of expected commencement of trading of new shares on ASX	Wednesday, 4 April 2012
Revised date of despatch of holding statements to participants in the Share Purchase Plan	Tuesday, 10 April 2012

The Directors reserve the right to vary the dates for the Share Purchase Plan at their discretion. Should this occur then this will have a consequential effect on the anticipated date of issue and normal trading of the shares issued under the Share Purchase Plan.

Drilling update

Catalyst has completed its recent trial Reverse Circulation (RC) and rotary mud/diamond drilling programme undertaken at the Four Eagles Gold Project in Victoria. Results from the drilling programme will be released to the market once they have been received.

A contractor with both RC and diamond drilling capacity commenced in early February 2012. The objective of the programme was to assess the best methodology for drilling through the Murray Basin cover sediments. A total of 492.5 metres was completed in the initial campaign.

Core has been logged and sampled prior to submission for assay and results are expected in late March 2012. Hole FEDD003 was collared 100 metres south of the previously reported RC hole FERC003 which contained several zones of gold mineralisation (2 metres @ 1.8 g/t Au from 67 metres and 1 metre @ 18.3 g/t Au from 127 metres) and intersected several fractured quartz veins with associated boxworks after pyrite. Hole FEDD005 was drilled about 1 kilometre to the northwest near aircore hole FE471 (3 metres @ 5.2g/t Au from 75 metres) and also intersected abundant thin quartz veins and minor limonitic brecciated quartz veins before completion at 147 metres.

A major aircore programme of 10,000 metres is due to commence in April 2012 and further diamond drilling and RC will also be undertaken at that time.

For further information contact:

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Competent person statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Bruce Kay, who is a Fellow of the Australasian Institute of Mining and Metallurgy and is a non-executive of Catalyst Metals Limited. Mr Kay has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration, Results, Mineral Resource and Ore Reserves'. Mr Kay consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

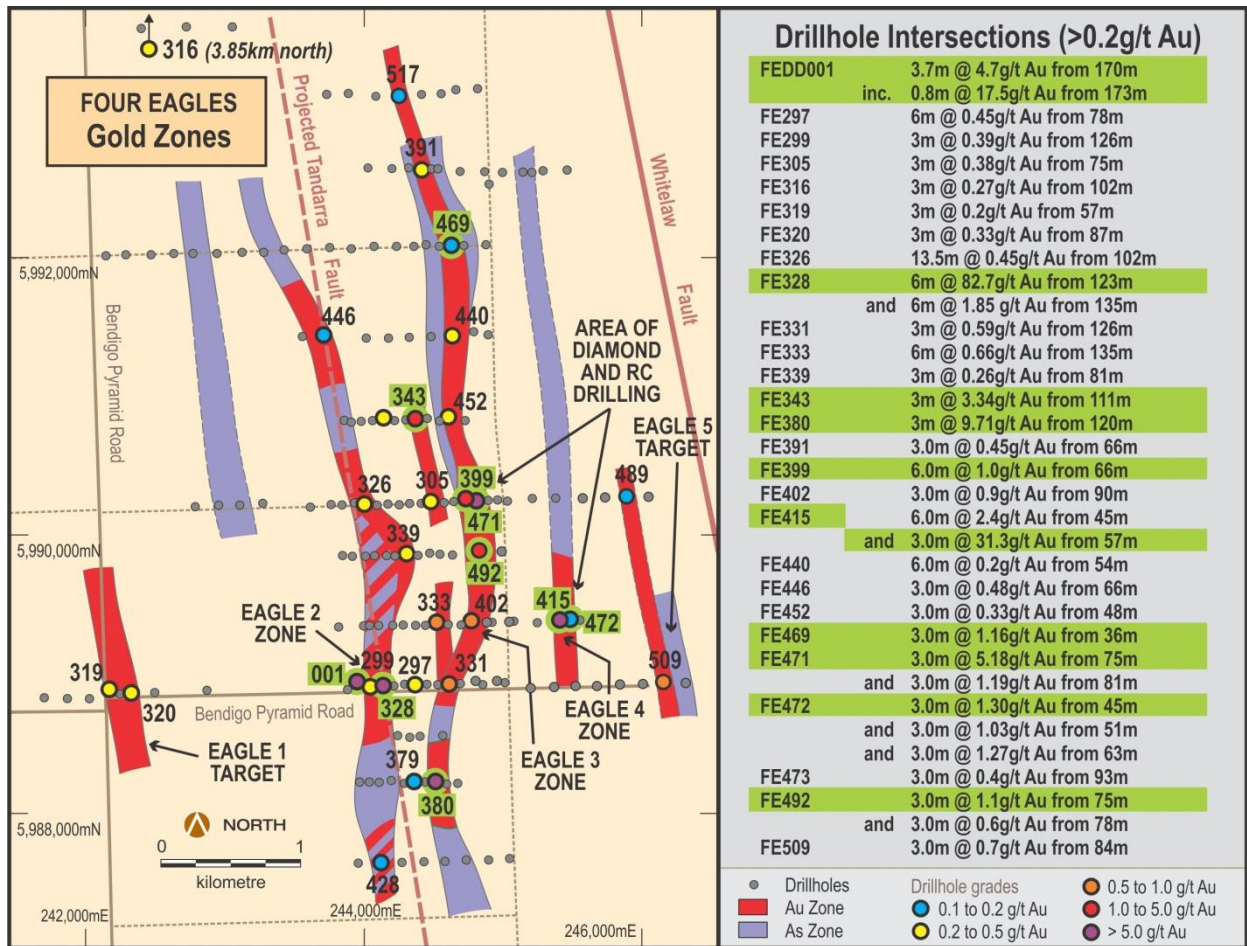


Figure 1: Gold zones and drilling locations at Four Eagles Gold Project

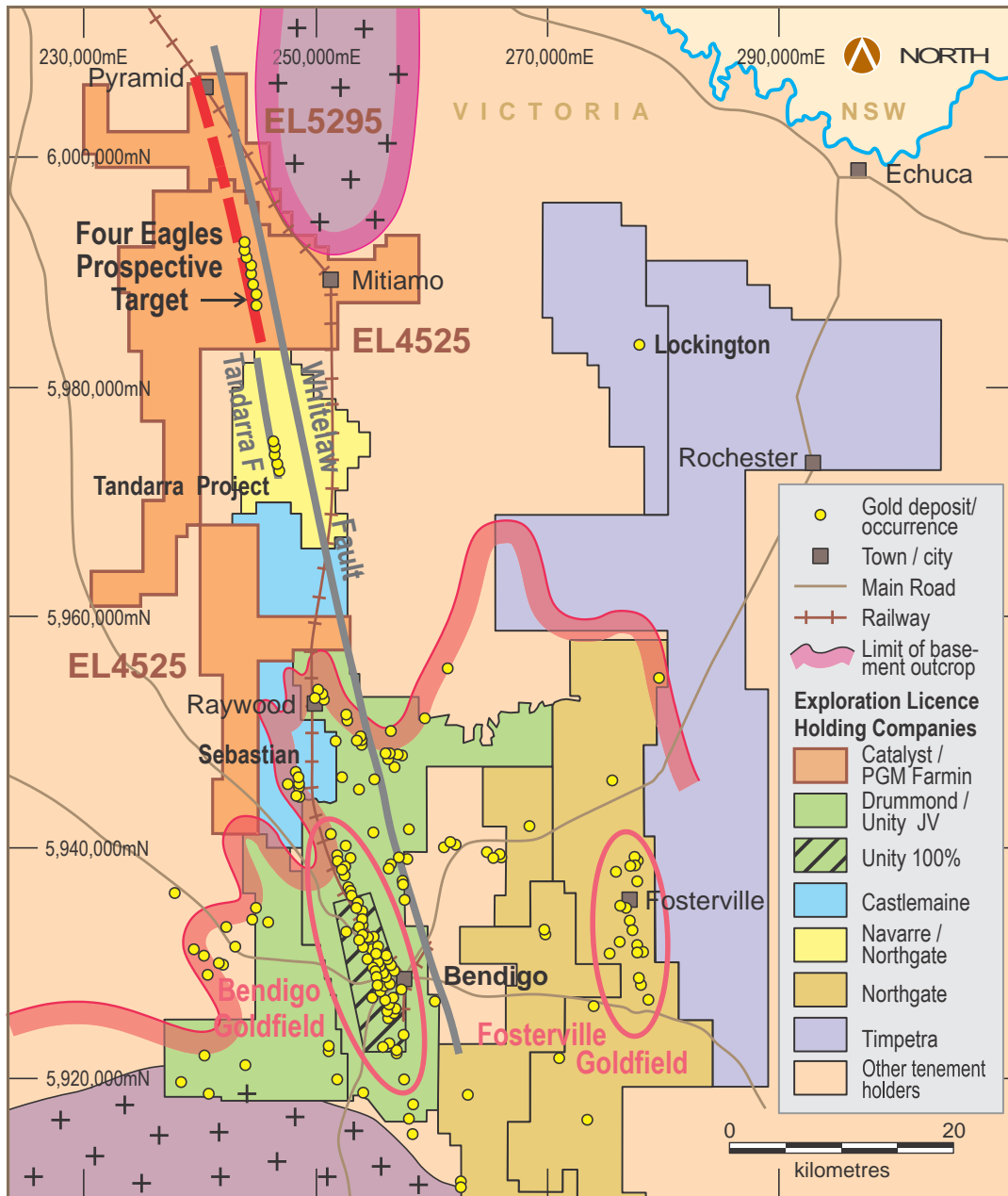


Figure 2: Four Eagles Gold Project Location