

ASX Announcement

30 June 2011

## High grade gold mineralisation extended at Four Eagles Gold Zones

- **Aircore drillhole FE471 intersects 3.0 metres @ 15.3g/t Au from 81 metres and 3.0 metres @ 5.5g/t Au from 75 metres**
- **Gold and arsenic values and quartz vein intersections broadly delineate three parallel zones of gold mineralisation up to 5 kilometres long (Osprey, Harrier and Goshawk Zones)**
- **Reverse Circulation or Diamond Drilling to test sections of these zones in September 2011 quarter**

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Catalyst Metals Limited (ASX: CYL) ("Catalyst" or the "Company") is pleased to announce that further high grade gold mineralisation has been intersected at its Four Eagles Gold Project following the receipt of all assay data for the aircore and diamond drilling programmes that were conducted by the Company between March to May 2011.

The best intersection from the recently received results was in aircore hole FE471 which contained **9.0 metres @ 7.1g/t Au from 75 metres (including 3.0 metres @ 15.3g/t Au from 81 metres and 3.0 metres @ 5.5g/t Au from 75 metres)**.

Other recent holes contained intersections in the 0.5 to 1.4 g/t Au range and together with arsenic geochemistry and quartz vein distribution have enabled the delineation of at least three parallel zones of gold mineralisation at the Four Eagles Gold Project (Figure 1).

Gold values occur over a strike length of 3 to 5 kilometres on the Goshawk and Harrier Zones respectively but the eastern Osprey Zone is less well defined. Because almost all drilling has been done with aircore, no information on strike or dip of the basement lithologies or mineralised intersections is available. Intersections are therefore unlikely to be true width. Best intersections on each of these zones is summarised below and include all previously reported data:

### ***Goshawk Zone (from south to north)***

- 6.0 metres @ 82.70g/t Au from 123 metres (FE328)**
- 6.0 metres @ 1.85g/t Au from 135 metres (FE328)**
- 0.8 metres @ 17.50g/t Au from 173 metres (FEDD001)**
- 3.0 metres @ 0.39g/t Au from 126 metres (FE299)**

**3.0 metres @ 0.26g/t Au from 81 metres (FE339)**  
**13.5 metres @ 0.45g/t Au from 102 metres (FE326)**  
**3.0 metres @ 0.53g/t Au from 66 metres (FE446)**

***Harrier Zone (from south to north)***

**3.0 metres @ 9.71g/t Au from 120 metres (FE380)**  
**3.0 metres @ 5.50g/t Au from 75 metres (FE471)**  
**3.0 metres @ 15.30g/t Au from 81 metres (FE471)**  
**3.0 metres @ 0.59g/t Au from 126 metres (FE331)**  
**3.0 metres @ 0.90g/t Au from 90 metres (FE402)**  
**6.0 metres @ 0.66g/t Au from 135 metres (FE333)**  
**6.0 metres @ 1.00g/t Au from 66 metres (FE399)**  
**3.0 metres @ 0.38g/t Au from 48 metres (FE452)**  
**3.0 metres @ 3.34g/t Au from 111 metres (FE343)**  
**3.0 metres @ 1.37g/t Au from 36 metres (FE469)**  
**3.0 metres @ 0.45g/t Au from 66 metres (FE391)**

***Osprey Zone***

**3.0 metres @ 14.7g/t Au from 57 metres (FE415)**  
**6.0 metres @ 2.40g/t Au from 45 metres (FE415)**  
**3.0 metres @ 1.14g/t Au from 45 metres (FE472)**  
**3.0 metres @ 0.97g/t Au from 51 metres (FE472)**

Mr Bruce Kay, Catalyst's Technical Director, commented; "The 2011 aircore drill programme has identified at least three parallel gold trends with high grade gold mineralisation intersected on each zone. Gold is mostly associated with quartz veins and assay variability suggests that it is quite nuggety in character, similar to that encountered in the Bendigo goldfield."

"For this reason, assays above 0.5 g/t Au are considered very significant as our drilling has shown that these values are often in close proximity to high grade gold intersections. All drilling other than two diamond drillholes and two aircore holes has been vertical so it is highly encouraging that we have intersected so many vertical quartz veins with high grade gold values at such a wide drill spacing."

All data from the drilling programme will be compiled and interpreted before the end of July 2011 and the next stage of exploration is likely to involve angled reverse circulation (RC) or diamond drilling to test the extent of high grade gold mineralisation along these trends. The second stage of the aircore programme to test the remaining 20 kilometres of strike length of the gold trend on the Catalyst tenements will also recommence before the end of the December 2011 quarter.

Assay values for the second diamond drillhole FEDD002 were mostly low with a maximum of 0.7 metres @ 1.63g/t Au from 504 metres downhole. This is far too deep to be an effective test of the high grade zone in FE328 (6 metres @ 82.7 g/t Au) which is about 300 metres above the anticline intersected in FEDD002. Future drilling will need to be carried out north of the diamond drill section to test the expected northerly plunge of the high grade zone. Nevertheless, the diamond drillholes provided valuable information on the structure and lithology of the basement, which was the intended purpose of these holes.

The regional Whitelaw and Tandarra Fault systems are considered to be very important structures for the formation of Bendigo gold deposits and this 70 km trend in the Bendigo North area is now being explored aggressively by several Companies (Figure 2). Catalyst's Four Eagles Gold Project covers about 25 kilometres of strike length on these structures but exploration to date has partially tested only about 6 kilometres.

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For further information, please contact:

Mr Stephen Boston  
Chairman  
Ph: +61 8 9383 2825

#### **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 consultant to 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.

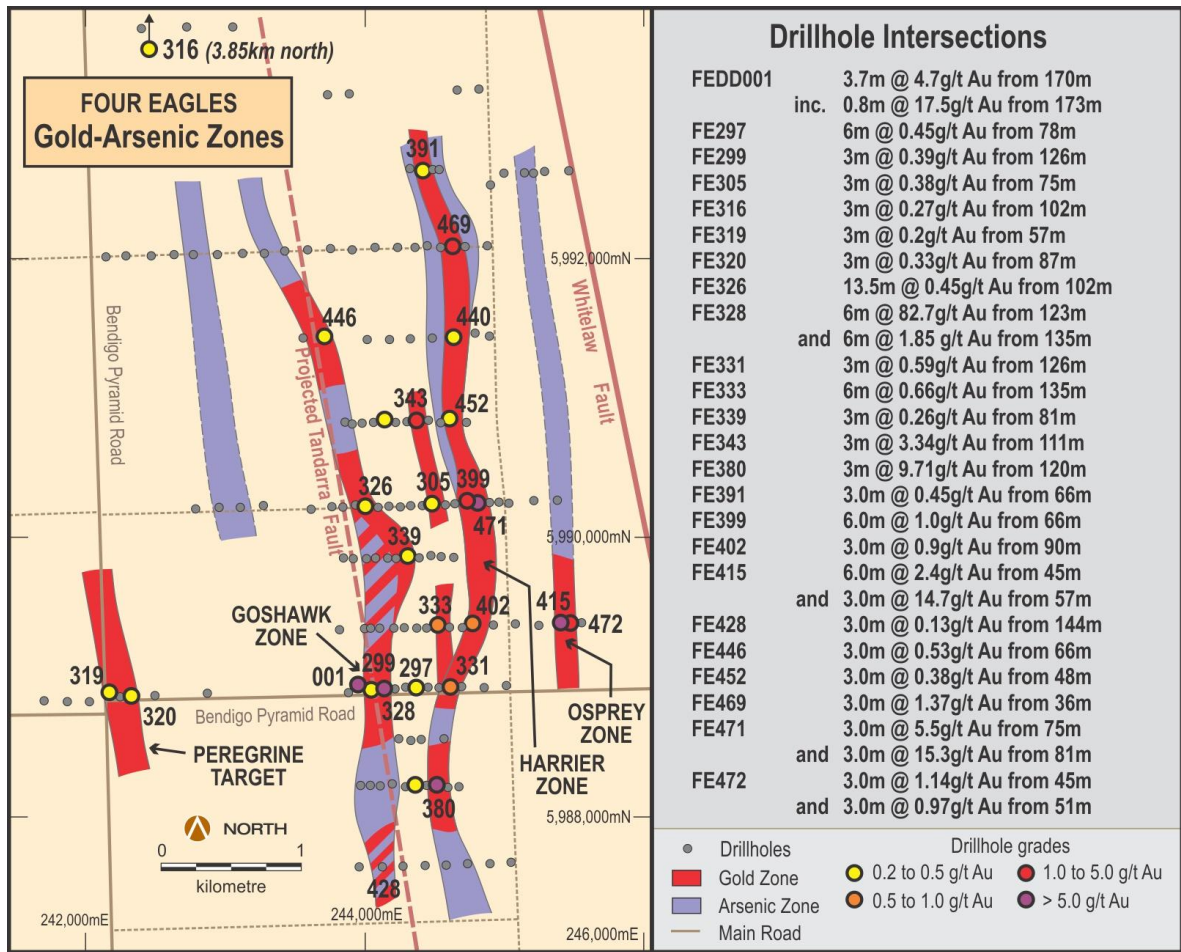
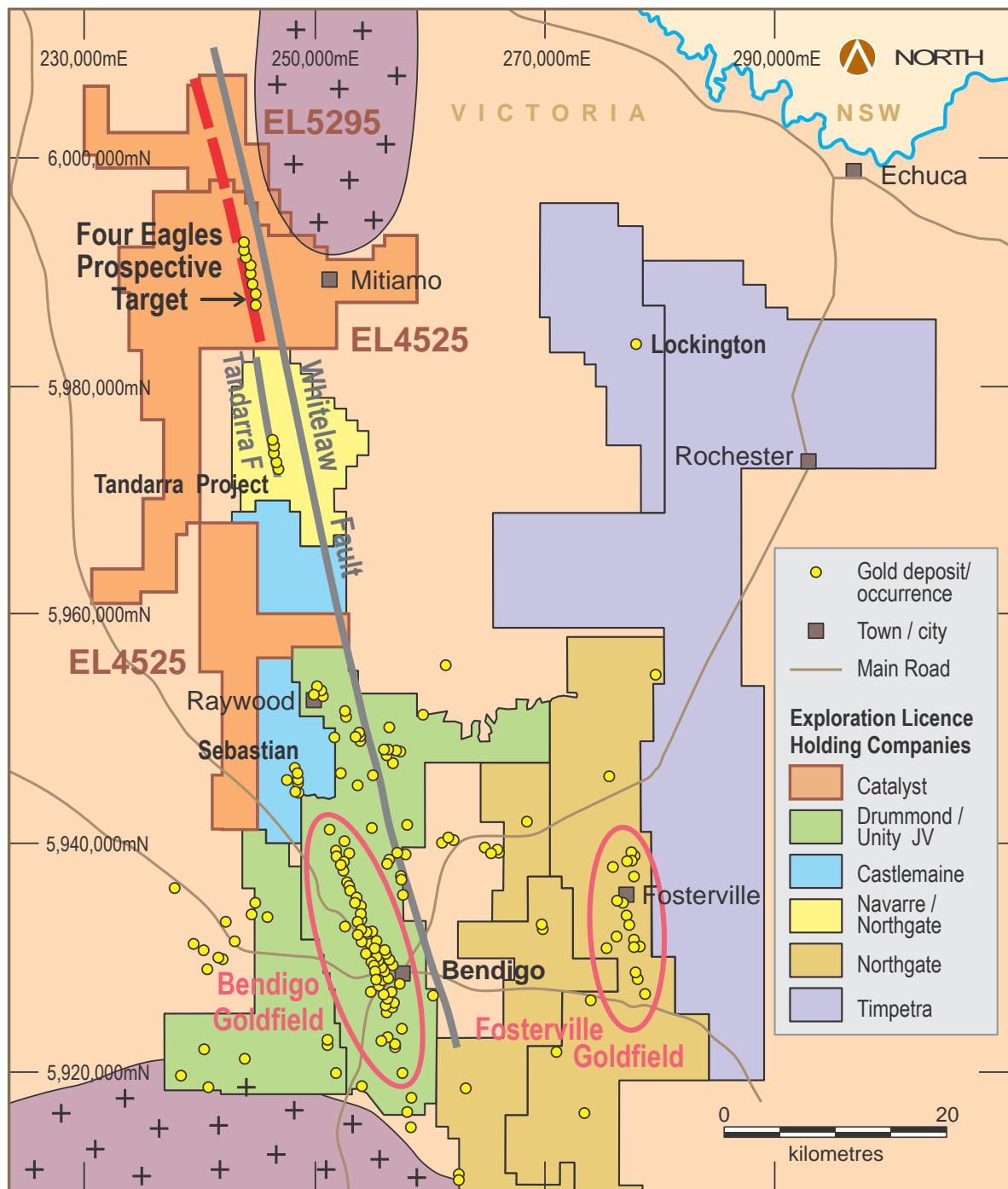


Figure 1 – Gold Zones at Four Eagles Gold Project



**Figure 2 – Four Eagles Gold Project Location and tenements of other North Bendigo Explorers**