



CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
ABN 54 118 912 495

INTERIM REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

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CORPORATE DIRECTORY

DIRECTORS

Stephen Boston (Chairman)
Bruce Kay (Non-Executive Director)
Robin Scrimgeour (Non-Executive Director)
Gary Schwab (Non-Executive Director)

COMPANY SECRETARY

Frank Campagna

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

44 Kings Park Road
West Perth, Western Australia 6005

Telephone: +618 6263 4423
Facsimile: +618 9284 5426
Email: admin@catalystmetals.com.au
Website: www.catalystmetals.com.au

AUDITORS

RSM Australia Partners
2 The Esplanade
Perth WA 6000

SHARE REGISTRY

Security Transfer Registrars
770 Canning Hwy
Applecross WA 6153

Telephone: +618 9315 2333
Facsimile: +618 9315 2233
Email: registrar@securitytransfer.com.au
Website: www.securitytransfer.com.au

STOCK EXCHANGE LISTING

The Company is listed on the Australian Securities Exchange
Home Exchange: Perth
ASX Code: CYL

DIRECTORS' REPORT

The Directors present their report on Catalyst Metals Limited and its subsidiaries for the half-year ended 31 December 2018.

BOARD OF DIRECTORS

DIRECTORS

The names and details of Catalyst Metals Limited ("Company") directors in office during the half-year and up to the date of this report are as follows:

Stephen Boston
Bruce Kay
Robin Scrimgeour
Gary Schwab

Directors were in office for the entire period unless otherwise stated.

REVIEW OF OPERATIONS

During the half year the Company essentially completed the compilation and interpretation of the results of exploration conducted through the first half of the calendar year, designed follow-up programs and commenced drilling for the 2018-19 field season.

Catalyst has significant interests in two retention licences (RL's) and twelve (12) exploration licences (EL's) and applications over the Whitelaw Belt - an area of approximately 75 kilometres long, and 5-10 kilometres wide commencing immediately north of the outcropping Bendigo Goldfield and parts of parallel structures to the east and west (Figure 1).

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 or at best sparsely tested and highly prospective for the discovery of new gold deposits of Bendigo and Fosterville styles.

At the Four Eagles Gold Project, assay results were received for the remaining 8 reverse circulation (RC) drill holes at Boyd's Dam, confirming the continuity of high-grade mineralisation along a strike-length of at least 600 metres, at depths of less than 120 metres. Processing of the cores from 13 diamond drill (DD) holes tested for lode repetitions at depth below the Boyd's and Hayanmi prospects. The DD holes below Boyd's Dam confirmed the existence of multiple heavily quartz-veined zones mineralised with common pyrite and arsenopyrite and occasional occurrences of visible gold, while most results from Hayanmi are still awaited. Air core (AC) drilling confirmed the continuity of gold mineralisation at the Eagle 1 prospect, now re-named as the Cunneen's Prospect.

At the Tandarra Gold Project the recognition of multiple mineralised structures at the Tomorrow gold deposit, the grant of long term title in the form of a Retention Licence over the project area and the successful completion of Joint Venture arrangements covering the continuation of project activities after Catalyst's completion of its \$3 million earn-in obligations to secure 51% interest in the venture were all achieved during the half year.

FOUR EAGLES JOINT VENTURE (RL006422, EL5508, EL5295, EL(App)006887, EL(App)006859) (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). Current exploration is jointly funded by Catalyst and GEV.

Retention Licence (RL) 006422 is flanked by the remaining EL's comprising the Four Eagles Gold Project and covers an envelope of gold mineralisation about 6 kilometres long and 2.5 kilometres wide. Three prospects have produced high grade gold mineralisation (Hayanmi, Boyd's Dam and Pickles (formerly "Discovery") while another to the south-east (Cunneens (formerly "Eagle 1")) has revealed a number of gold occurrences over a 3-kilometre strike length.

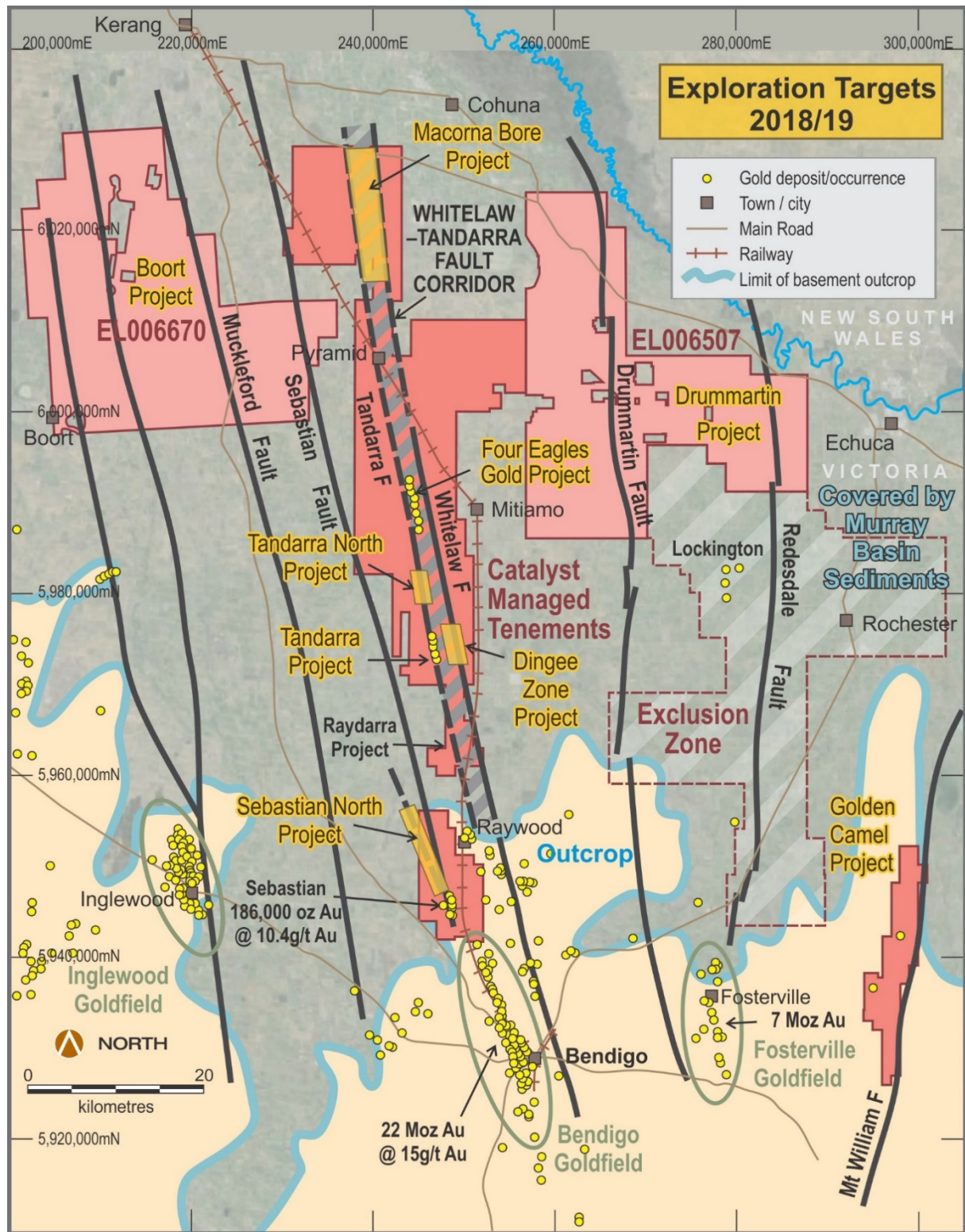


Figure 1: Whitelaw Gold Belt Tenement Holdings showing major Catalyst managed projects

Boyd's Dam RC Blade/Hammer Drilling

The assay results for the last 8 of 37 RC drill holes completed at Boyd's Dam yielded 6 significant gold intersections (greater than 20 'gram-metres') including:

- 4.0m @ 11.62g/t Au from 79m (FERC211)
- 5.0m @ 9.91g/t Au from 80m and 3.0m @ 17.21 g/t from 107m (FERC227)

DIRECTORS' REPORT

These drillholes served to better define the cross-sectional shape of gold mineralisation on 25 metre spaced traverses along a 600 metre strike length of Boyd's Dam. Bulk cyanide leach assays carried out on larger samples from each mineralised interval have as in previous drill programs proved to be generally confirmatory of the reported intersection values based on analysis of 25-gram samples using aqua regia digest and analysis by mass spectroscopy (ICP-MS).

Boyd's Dam and Hayanmi RC Drilling

Compilation of the results of drilling conducted during 2018 has enabled a clearer understanding to be reached of the extent and continuity of mineralisation comprising both the Boyd's Dam and Hayanmi gold deposits and their controlling geological features. In each case additional RC drilling is required to improve definition of mineralised zones to enable modelling and the estimation of resources.

The 2019 drilling program commenced in November 2018 with RC drilling at Hayanmi (2 holes) and Boyd's Dam (13 holes), totalling 1,928 metres. Four of the seven holes for which results have been received have produced significant intersections.

- **7.0 metres @ 8.44g/t Au from 44 metres down hole in FERC233 (Boyd's Dam)**
- **1.0 metre @ 32.6g/t Au from 96 metres in FERC233 (Boyd's Dam)**
- **6.0 metres @ 3.68g/t Au from 45 metres incl. 1.0 metre @ 16.7g/t Au in FERC 230 (Boyd's Dam)**
- **5.0 metres @ 3.4g/t Au from 97 metres incl. 1.0 metre @ 12.5g/t Au in FERC232 (Boyd's Dam)**
- **9.0 metres @ 2.6g/t Au from 85 metres including 1.0 metre @ 16.1g/t Au in FERC229 (Hayanmi)**

Diamond Drilling Boyd's Dam and Hayanmi

At the completion of the programme in mid-June 2018, 13 holes had been completed for a total of 3,150 metres of diamond core and 826 metres of pre-collar drilling. Six DD holes were completed on the Boyd's Dam trend as shown on Figure 4 and another 7 holes at Hayanmi. The Boyd's Dam holes intersected multiple broad zones of quartz with arsenopyrite and some visible gold.

The potential for high grade shoots of gold mineralisation below a vertical depth of 100 metres had not been previously tested at Four Eagles but these vertically stacked zones are a characteristic of mining at Bendigo which historically produced 22 million ounces of gold at an average grade of 15g/t Au, and also at the Fosterville mine, which occurs in a similar geological setting to the east of Bendigo.

The DD holes intersected the shallow Boyd's Dam prospect en route to target zones at greater depth, producing the following best intersections :

- **16.0m @ 8.2g/t Au from 62m (FEDD011)**
- **4.0m @ 9.53g/t Au from 108m (FEDD015)**

The first of these appears to be related to the eastern limb or nose of an anticlinal "saddle reef", a style of gold mineralisation typical of Bendigo gold deposits. Results received from the six DD holes completed at Boyd's Dam confirms the occurrence of multiple zones of extensive quartz veining with common arsenopyrite and pyrite, and several occurrences of visible gold. The best intersections reported from deeper zones are:

- **2.9m @ 5.91g/t Au from 108m (FEDD011) (probably connecting to the previously reported intersection of 6.0m @ 31.6g/t Au in FERC152)**
- **2.0m @ 8.04g/t Au from 298m (FEDD015)**

The second of these is the deepest gold intersection recorded from the Four Eagles Gold Project.

The Hayanmi holes were designed to test targets interpreted from shallower RC drilling as prospective for repeat gold bearing structures below the high-grade zones encountered in 2017 and 2018 RC drilling programmes and was funded jointly by the Victorian Government under the 'TARGET' co-funding scheme. The geological detail available from drill core clarified actual structural relationships and discovered two new deeper zones of mineralisation with strong quartz veining and alteration, arsenopyrite and traces of visible gold.

This zone of mineralisation appears to have a gentle plunge to the south as shown on the longitudinal projection in Figure 3 and can be observed in holes FEDD016, FEDD017 and FEDD019. The associated arsenic values of up to 5,000ppm provide further support of the presence of a mineralised system. All holes had weak gold values with a best intersection of **1.0 metre @ 18.1g/t Au in FEDD019**. This zone will require further testing adjacent to the now-defined anticlinal axis where the highest-grade gold is usually found to occur.

DIRECTORS' REPORT

Cunneen's Prospect

A fourth prospect (formerly designated "Eagle 1", renamed as "Cunneen's Prospect") located 2 kilometres further west, was confirmed by AC drilling completed during the current half year. Cunneen's Prospect is located about 4 kilometres west of the Whitelaw Fault; a similar distance to the most productive area of the Bendigo Goldfield. Interpretation of anomalous arsenic assays and gravity signatures indicates that the structure is at least 3 kilometres long. It will be the subject of systematic follow-up drilling in 2019

Gold intersections included

- **1.0m @ 1.26g/t Au from 149m (FE852)**
- **1.0m @ 1.26g/t Au from 107m (FE867)**

In addition to:

- **1.0m @ 3.1g/t Au from 124m (FE847) (previously reported in 2017)**

TANDARRA GOLD PROJECT (RL006660) (CATALYST 51%)

Catalyst (through its 100%-owned subsidiary Kite Operations Pty Ltd) earned a 51% interest in the Tandarra Gold Project by the expenditure of \$3.0 million on exploration (completed in June 2018) whilst Navarre Minerals Limited retains a 49% interest. Under the terms of the joint venture agreement, future exploration will continue to be managed by Catalyst and will be jointly funded by Catalyst and Navarre.

A Retention Licence (RL006660) for the Tandarra Gold Project was granted and registered by the Victorian Department of Economic Development, Jobs, Transport and Resources (DEDJTR) during the half year. The Retention Licence has a term of 10 years and provides security of tenure to conduct advanced drilling and assessment programmes aimed at progressing the project to resource estimation, scoping studies and possible feasibility and mining. The Retention Licence replaces Exploration Licence EL4897.

The Tandarra Gold Project is situated along the Whitelaw Fault Corridor which is considered to be a major structural control of gold mineralisation north of Bendigo. It is located about 40 kilometres north-northwest of Bendigo, west of the settlement of Dingee (Figure 1).

Due to details of the Joint Venture Agreement being finalised during the half year, activity on the Tandarra Project was limited to completing the compilation and interpretation of 2018 first half drill results to enable the design and budgeting of the 2019 program. With the assay results on the final hole (DDT018) still outstanding, the key outcome of this work is recognition in deeper diamond drilling below the Tomorrow gold-mineralised zone of multiple west-dipping shear zones with associated quartz veining and alteration, arsenopyrite mineralisation and some gold values.

The best result was **31.0 metres @ 1.16g/t Au from 261 metres down hole (DDT015)**. The structural pattern and intersection evidences potential for vertically stacked multiple gold-mineralised lodes within the Tomorrow Zone.

BULK LEACH ASSAY PROGRAM

Bulk cyanide leach assays are conducted on larger samples (~2 kg) as checks on all RC and DD samples returning anomalous values in initial 25 gm aqua regia acid leach analyses. These have been received during the half year for all remaining RC and DD samples from both Four Eagles and Tandarra projects and in both projects have continued to provide positive correlations with initial assay values. This result provides continuing reassurance that results produced by drilling are not subject of severe nugget effects. This is important in grade estimation for any resource analysis.

SEBASTIAN PROJECT (EL5533 CATALYST 100%)

The Sebastian Project is located at the southern end of Catalyst's Whitelaw Belt tenement block (Figure 1). New corridors of potential gold mineralisation previously identified remain to be followed up by further air core (AC) drilling.

MACORNA BORE PROJECT (EL5521 CATALYST 100%)

The Macorna Bore Project is located at the northern end of Catalyst's Whitelaw Gold Belt tenement block (Figure 1). In early 2018 new gold-prospective corridors were identified by orientation AC drill-testing of targets identified by detailed gravity survey. These arsenic-anomalous zones await more

DIRECTORS' REPORT

detailed evaluation by AC drilling. Both the gravity survey and the AC drill-testing are funded by the Victorian Government under its 'TARGET' co-funding scheme.

GOLDEN CAMEL PROJECT (ELs5449 and 5490 CATALYST EARNING 50.1%)

In July 2018, the Company entered into an agreement with private company, Golden Camel Mining Pty Ltd, to earn 50.1% interest in Exploration Licences EL5449 and EL5490 (Figure 1). The completion of an initial 130-hole program of Rotary Air Blast (RAB) drilling has generated results providing sufficient encouragement to justify the Company embarking on the main Phase 2 of the Agreement. Phase 2 entitles the Company by the expenditure of \$650,000 over the next four years, to earn a 50.1% interest in the two exploration licences.

Included in the tenement package are Mining Leases MIN5548 and MIN5570 covering the Golden Camel Gold Mine. In 2017, Golden Camel Mining successfully mined and processed approximately 6,000 tonnes of ore between surface and 10 metres depth from the Golden Camel mine. Historical drill results demonstrate the continuation of gold mineralisation to greater depth.

The tenements cover a large area of over 25 kilometres north-south by 3 kilometres wide, totalling 85 square kilometres, located approximately 15 kilometres east of the Fosterville Gold Mine (Figure 1). In addition to the Golden Camel gold deposit, historical gold mining is evident at Toolleen and Glengarry localities, demonstrating prospectivity in each of the main geological units within the tenement block.

Phase 2 of Catalyst's earn-in agreement includes the option to purchase a 50.1% interest in the Mining Leases for \$1.0 million after expenditure of \$350,000 and the completion of 1,200 metres of diamond/precollar drilling at the Toolleen and Golden Camel Mines.

Public records indicate that the area has been only lightly explored. Catalyst's reconnaissance program comprised 130 RAB drill holes on 8 traverses. The relatively widely-spaced drill holes on very widely-spaced (3-4 kilometres apart) traverses provided geological orientation and assay results which included a number of zones variably anomalous in several elements commonly associated with gold in this part of the Bendigo region (arsenic, antimony and silver). Most importantly, an **intersection of 6.0m @ 4.2g/t Au** was reported from 12-18 metres in hole RBG040, located 3 kilometres along strike from the old Glengarry Mine workings. The gold result and these anomalous zones provide a focus for follow up drilling which is planned for the first half of 2019.

REGIONAL EXPLORATION (EL006507 AND EL006670 CATALYST 100%)

The Drummartin Project (EL006507) was granted to Catalyst's wholly owned subsidiary Kite Operations Pty Ltd, in December 2017 for a term of five years. Situated east of the Company's Whitelaw Gold Belt landholdings, the area was selected to cover the northerly extensions of the major Redesdale and Drummartin faults, which are concealed beneath younger sedimentary cover. These are thought to control the mineralisation of the Fosterville Gold Mine to the south in a structural relationship analogous to that which links the Whitelaw Fault to the Bendigo goldfield, as well as to Catalyst's Four Eagles and Tandarra gold discoveries to the west (Figure 1).

There has been little previous exploration of the exploration licence, with occasional anomalous arsenic and trace gold values reported from drilling programs testing targets identified beneath typically 80-100 metres of younger sediment cover. To the south of the eastern part of the exploration licence, evidence of the existence below the sedimentary cover of the Whitelaw Belt style of gold mineralisation is provided by the Lockington discovery (Figure 1) outlined in 2007.

Catalyst's initial reconnaissance of the exploration licence comprised four single-traverse tests by AC drilling, of targets identified by reinterpretation based on Whitelaw Gold Belt models of public domain gravity survey records. The survey totalled 27 holes, typically to around 150 metres depth, testing weathered basement below 50-100 metres sedimentary cover. Despite the wide spacing between holes, encouraging intercepts were recorded of abundant quartz veining, occasional pyrite mineralisation and scattered Au and As anomalism.

Follow-up drilling will be planned around these encouraging results and in the eastern half of the exploration licence.

There were no material developments during the half year on the Boort Project (EL006670), situated to the west of the Whitelaw Belt (Figure 1).

DIRECTORS' REPORT

CORPORATE

The annual general meeting of the Company was held on 28 November 2018 and resolutions 1 to 3 and 5 to 6 were carried unanimously on a show of hands. Resolution 4 was withdrawn.

RESULTS OF OPERATIONS

The operating loss after income tax of the Group for the half-year ended 31 December 2018 was \$951,946 (2017: \$1,093,942).

The Company's basic loss per share for the period was 1.36 cents (2017: loss of 1.77 cents per share).

No dividend has been paid during or is recommended for the financial period ended 31 December 2018.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 immediately follows the Directors' Report.

This report has been made in accordance with a resolution of the Board of Directors.



Stephen Boston
Chairman

Dated: 14 March 2019

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 2014) 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 announcements dated 1 September 2014 and 29 July 2015.

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 announcements dated 1 September 2014, the quarterly activities report dated 31 July 2014, and for other Tandarra drilling on 29 July 2015.



RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 92619100
F +61 (0) 8 92619111

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Catalyst Metals Limited for the half-year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM
RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 14 March 2019


ALASDAIR WHYTE
Partner

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AUDIT | TAX | CONSULTING

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RSM Australia Partners ABN 36 965 185 036

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CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2018

		31 December 2018	30 June 2018
	Note	\$	\$
Current Assets			
Cash and cash equivalents	5	4,068,029	4,954,122
Trade and other receivables		320,491	590,251
Total Current Assets		<u>4,388,520</u>	<u>5,544,373</u>
Non-Current Assets			
Property, plant and equipment		9,062	10,202
Exploration and evaluation	6	366,952	-
Total Non-Current Assets		<u>376,014</u>	<u>10,202</u>
TOTAL ASSETS		<u>4,764,534</u>	<u>5,554,575</u>
Current Liabilities			
Trade and other payables		638,592	735,951
Total Current Liabilities		<u>638,592</u>	<u>735,951</u>
TOTAL LIABILITIES		<u>638,592</u>	<u>735,951</u>
NET ASSETS		<u>4,125,942</u>	<u>4,818,624</u>
Equity			
Contributed equity	8	20,310,029	20,050,765
Share based payments reserves		372,972	372,972
Accumulated losses		(16,557,059)	(15,605,113)
TOTAL EQUITY		<u>4,125,942</u>	<u>4,818,624</u>

The accompanying notes form part of this financial report

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
COMPREHENSIVE INCOME
For the Half-Year Ended 31 December 2018

	31 December 2018 \$	31 December 2017 \$
Revenue	60,677	16,916
Expenses		
Professional fees	(140,500)	(88,823)
Administration costs	(82,035)	(48,532)
Occupancy costs	(7,260)	(5,915)
Personnel	(203,441)	(185,504)
Corporate costs	(157,877)	(137,034)
Exploration and evaluation expenditure written off	6 (421,510)	(645,050)
Loss before income tax expense	(951,946)	(1,093,942)
Income tax expense	-	-
Loss for the half year	(951,946)	(1,093,942)
Other comprehensive income	-	-
Total comprehensive loss for the half year	(951,946)	(1,093,942)
Total comprehensive loss attributable to members of the company	(951,946)	(1,093,942)
Basic loss per share (cents per share)	1.36	1.77
Diluted loss per share (cents per share)	1.36	1.77

The accompanying notes form part of this financial report.

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Half-Year Ended 31 December 2018

	Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total \$
Balance at 1 July 2017	13,138,803	(11,363,466)	372,972	2,148,309
Total comprehensive loss for the period	-	(1,093,942)	-	(1,093,942)
Transactions with owners in their capacity as owners:				
Issue of shares	5,907,715	-	-	5,907,715
Share based payments	(22,892)	-	-	(22,892)
Balance at 31 December 2017	19,023,626	(12,457,408)	372,972	6,939,190
Balance at 1 July 2018	20,050,765	(15,605,113)	372,972	4,818,624
Total comprehensive loss for the period	-	(951,946)	-	(951,946)
Transactions with owners in their capacity as owners:				
Issue of shares	259,264	-	-	259,264
Share issue expenses	-	-	-	-
Balance at 31 December 2018	20,310,029	(16,557,059)	372,972	4,125,942

The accompanying notes form part of this financial report

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Half-Year Ended 31 December 2018

	31 December 2018 \$	31 December 2017 \$
Cash Flows from Operating Activities		
Payments to suppliers, contractors and employees	(318,613)	(323,705)
Interest received	20,777	16,916
Payments for exploration and evaluation	(421,511)	(645,050)
Net cash flows used in operating activities	(719,347)	(951,839)
Cash Flows from Investing Activities		
Payments for exploration and evaluation	(366,952)	-
Net cash flows used in investing activities	(366,952)	-
Cash Flows from Financing Activities		
Proceeds from issue of shares	259,264	5,907,715
Share issue expenses	-	(22,892)
Farm in advances expended	322,894	(252,764)
Farm in advances received	(381,952)	77,430
Net cash flows from financing activities	200,206	5,709,489
Net (decrease)/increase in cash and cash equivalents	(886,093)	4,757,650
Cash and cash equivalents at the beginning of the half-year	4,954,122	2,529,414
Cash and cash equivalents at the end of the half-year	4,068,029	7,287,064

The accompanying notes form part of this financial report

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS

For The Half-Year Ended 31 December 2018

1. BASIS OF PREPARATION

This general purpose financial report for the half-year reporting period ended 31 December 2018 has been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures the financial report compliance with International Financial Reporting Standard IAS 34: Interim Financial Reporting.

The half-year report does not include full disclosures of the type normally included in an annual financial report. It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2018 and any public announcements made by Catalyst Metals Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

New and Revised Accounting Standards

The consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the entity's accounting policies.

2. SEGMENT INFORMATION

The Company operates in one business and geographical segment being mineral exploration in Australia.

3. EVENTS AFTER REPORTING DATE

On 28 February 2019, Gold Exploration Victoria Pty Ltd (GEV) (a wholly owned subsidiary of Hancock Prospecting Pty Ltd and Joint Venture Partner on the Four Eagles Gold Project) agreed to subscribe for 8,680,000 fully paid ordinary shares in Catalyst Metals Ltd for up to \$1.50 per share to raise up to \$13,020,000.

Other than the event noted above, there have been no items, transactions or events of a material and unusual nature likely, in the opinion of the Directors, to affect significantly, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

4. CONTINGENCIES

The Company does not have any contingent assets or contingent liabilities as at 31 December 2018.

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
For The Half-Year Ended 31 December 2018

	31 December 2018 \$	30 June 2018 \$
5. CASH AND CASH EQUIVALENTS		
Cash at bank	4,068,029	4,954,122

The cash at bank as at 31 December 2018 includes \$134,130 (30 June 2018: \$16,818) held in trust by Catalyst Metals Ltd's subsidiaries, Kite Gold Pty Ltd and Kite Operations Pty Ltd, advanced by Gold Exploration Victoria Pty Ltd (**GEV**) and Navarre Minerals Limited (**NML**) as funds provided in advance for exploration expenditure on the Four Eagles Joint Venture and the Tandarra Joint Venture.

	31 December 2018 \$	30 June 2018 \$
6. EXPLORATION AND EVALUATION		
Opening balance	-	-
Additions	788,462	3,500,272
Written off	(421,510)	(3,500,272)
Closing balance	366,952	-

During the period the Company commenced capitalising exploration and evaluation expenditure incurred on the Four Eagles Gold Project tenements. All other exploration and evaluation expenditure has been written off as incurred.

	31 December 2018 \$	30 June 2018 \$
7. ADVANCES		
Opening balance of Advance from Gold Exploration Victoria Pty Ltd	(165,974)	188,259
Advances received from Gold Exploration Victoria Pty Ltd	322,894	1,005,137
Exploration expenditure	(406,852)	(1,359,370)
Closing balance of Receivable from Gold Exploration Victoria Pty Ltd	(249,932)	(165,974)

The receivable from Gold Exploration Victoria Pty Ltd relates to monies receivable from Kite Gold Pty Ltd for its contribution to exploration expenditure on the Four Eagles Gold Project. During the 2018 financial year, Gold Exploration Victoria earned 50% of the Project by spending \$4.2 million on exploration at the Four Eagles Gold Project. From March 2018 onward all expenditure at the Four Eagles Gold Project was shared equally by Kite Gold and Gold Exploration Victoria.

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
For The Half-Year Ended 31 December 2018

		31 December 2018		30 June 2018	
		Number	\$	Number	\$
8.	CONTRIBUTED EQUITY				
	(a) Share capital				
	Ordinary shares				
	Fully paid	(c) 70,212,444	20,310,029	69,793,916	20,050,765
	(b) Other equity securities				
	Options – Unlisted	(e) 1,000,000	-	1,000,000	-
	Total contributed equity		<u>20,310,029</u>		<u>20,050,765</u>
	(c) Movements in Ordinary Shares				
		Number of	Issue		
	Details	Shares	Price		\$
	Balance at 30 June 2018	69,793,916			20,050,765
	Issue of shares – exercise of options	318,528	\$0.50		159,264
	Issue of shares – exercise of options	<u>100,000</u>	<u>\$1.00</u>		<u>100,000</u>
	Balance at 31 December 2018	<u>70,212,444</u>			<u>20,310,029</u>
	(d) Movements in Listed Options				
		Number of	Issue		
	Details	Options	price		\$
	Balance at 30 June 2018	-			-
	Exercised during period	<u>-</u>			<u>-</u>
	Balance at 31 December 2018	<u>-</u>			<u>-</u>
	The listed options have an exercise price of \$0.50 per option expiring on 30 June 2018.				
	(e) Movements in Unlisted Options				
		Number of	Issue		
	Details	Options	price		\$
	Balance at 30 June 2018	1,100,000			-
	Exercised during period	<u>(100,000)</u>			<u>-</u>
	Balance at 31 December 2018	<u>1,000,000</u>			<u>-</u>

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes:
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001; and
 - b. give a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Stephen Boston
Chairman

Dated: 14 March 2019



RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 92619100
F +61 (0) 8 92619111

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
CATALYST METALS LIMITED**

We have reviewed the accompanying half-year financial report of Catalyst Metals Limited which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Catalyst Metals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Catalyst Metals Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Catalyst Metals Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 14 March 2019


ALASDAIR WHYTE
Partner