



CATALYST METALS LIMITED

ABN 54 118 912 495

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date and time of meeting

17 November 2011 at 10.00 a.m.

Place of meeting

Celtic Club
48 Ord Street
West Perth, Western Australia

CATALYST METALS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Catalyst Metals Limited (Company) will be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 17 November 2011 at 10.00 a.m.

AGENDA

ORDINARY BUSINESS

Financial statements and reports

To receive and consider the annual financial report of the Company and the reports of the directors and auditors for the financial year ended 30 June 2011.

To consider and if thought fit to pass, with or without amendment, the following resolutions as ordinary resolutions.

1. Re-election of Bruce Kay as a director

“That Mr Bruce Kay, having been appointed as a director of the Company on 9 February 2011 and being eligible for re-election in accordance with Clause 11.12 of the Constitution, is hereby re-elected as a director of the Company.”

2. Re-election of Stephen Boston as a director

“That Mr Stephen Boston, being a director of the Company, retires by rotation in accordance with Clause 11.3 of the Constitution and being eligible for re-election, is hereby re-elected as a director of the Company.”

To consider and if thought fit to pass, with or without amendment, the following resolution as an ordinary, non-binding resolution.

3. Remuneration report

“That for the purposes of Section 250R(2) of the Corporations Act, the Company adopts the Remuneration Report as contained in the annual financial report of the Company for the year ended 30 June 2011.”

SPECIAL BUSINESS

The special business of the meeting is to consider and if thought fit to pass, with or without amendment, the following resolution as an ordinary resolution.

4. Ratification of share issue

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the placement made by the Company in October 2011 of 1,256,143 ordinary fully paid shares at an issue price of 35 cents each, further details of which are set out in the explanatory memorandum accompanying the notice of meeting.”

The Company will disregard any votes cast on this resolution by any shareholder who participated in the share placement and any of their associates.

By order of the Board

Frank Campagna
Company Secretary

Perth, Western Australia
7 October 2011

VOTING EXCLUSION NOTE

Where a voting exclusion applies, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

PROXIES

A member of the Company who is entitled to attend and vote at the meeting may appoint a proxy to attend and vote for the member at the meeting. A proxy need not be a member of the Company. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the proxy instructions on that form.

Note: If a shareholder wishes to nominate the Chairman as their proxy for the purpose of Resolution 3, to make their proxy vote count they must direct the Chairman how to vote by marking either:

- (a) the For, Against or Abstain box in relation to Resolution 3 on the proxy form; or
- (b) the box at the bottom of the proxy form, directing the Chairman to vote in favour or Resolution 3, in accordance with his stated voting intention.

Alternatively, shareholders can nominate as their proxy for the purpose of Resolution 3 a proxy who is not a member of the Company's Key Management Personnel. That person would be permitted to vote undirected proxies.

In accordance with Regulation 7.11.37 of the Corporations Regulations, the directors have determined that the identity of those entitled to attend and vote at the meeting is to be taken as those persons who held shares in the Company as at 10.00 a.m. on 15 November 2011.

CATALYST METALS LIMITED
EXPLANATORY MEMORANDUM

This explanatory memorandum has been prepared for the information of shareholders of Catalyst Metals Limited in connection with the business to be considered at the forthcoming annual general meeting of shareholders of the Company and should be read in conjunction with the accompanying notice of meeting.

ANNUAL FINANCIAL REPORT

The financial report of the Company for the year ended 30 June 2011 (including the financial statements, directors' report and auditors' report) was included in the 2011 annual report of the Company, a copy of which is available on the Company's web-site at www.catalystmetals.com.au.

There is no requirement for shareholders to approve these reports. However, time will be allowed during the annual general meeting for consideration by shareholders of the financial statements and the associated directors' and auditors' reports.

RESOLUTION 1 - RE-ELECTION OF BRUCE KAY AS A DIRECTOR

Mr Bruce Kay was appointed as a non-executive director of the Company since the last annual general meeting. In accordance with Clause 11.12 of the Constitution and ASX Listing Rule 14.4, any director appointed to fill a casual vacancy or as an additional director holds office until the next annual general meeting of shareholders and is then eligible for re-election.

Mr Kay therefore retires at the forthcoming annual general meeting in accordance with the Constitution and being eligible, has offered himself for re-election at the meeting.

Mr Kay is a qualified geologist and former head of worldwide exploration for Newmont Mining Corporation. He is a highly experienced geologist with a resource industry career spanning more than 30 years in international exploration, mine, geological, project evaluation and corporate operations. Mr Kay was previously group executive and managing director of exploration at Normandy Mining Limited where he was responsible for managing its global exploration program.

The Board (excluding Mr Kay) recommends that shareholders vote in favour of the re-election of Mr Kay as a director of the Company. The Chairman intends to vote undirected proxies in favour of Resolution 1.

RESOLUTION 2 - RE-ELECTION OF STEPHEN BOSTON AS A DIRECTOR

ASX Listing Rule 14.4 and Clause 11.3 of the Constitution require that a director (other than the Managing Director) must not hold office without re-election for more than 3 years and that one third of the directors in office (other than a Managing Director) must retire by rotation at each annual general meeting of the Company.

Mr Boston therefore retires at the forthcoming annual general meeting in accordance with the Constitution and being eligible, has offered himself for re-election at the meeting.

Mr Boston is the principal of a Perth based private investment group specialising in the Australian resources sector. Mr Boston previously worked as a stockbroker from 1984 to 1998 in Perth and Sydney. Mr Boston holds a Bachelor of Arts from the University of Western Australia.

The Board (excluding Mr Boston) recommends that shareholders vote in favour of the re-election of Mr Boston as a director of the Company. The Chairman intends to vote undirected proxies in favour of Resolution 2.

RESOLUTION 3 – REMUNERATION REPORT

The Remuneration Report is contained in the Directors' Report section of the Company's 2011 annual report. The Remuneration Report describes the underlying policies and structure of the remuneration policies of the Company and sets out the remuneration arrangements in place for directors and senior executives.

The Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of shareholders of the Company. However, shareholders should note that the vote on Resolution 3 is advisory only and not binding on the Company or the directors.

Under the Corporations Act, members of Key Management Personnel of the Company and their Closely Related Parties will be excluded from voting on Resolution 3, and from voting undirected proxies on Resolution 3. The Chairman cannot vote undirected proxies on Resolution 3.

Note: If a shareholder wishes to nominate the Chairman as their proxy for the purpose of Resolution 3, to make their proxy vote count they must direct the Chairman how to vote by marking either:

- (a) the For, Against or Abstain box in relation to Resolution 3 on the proxy form; or
- (b) the box at the bottom of the proxy form, directing the Chairman to vote in favour of Resolution 3, in accordance with his stated voting intention.

Alternatively, shareholders can nominate as their proxy for the purpose of Resolution 3 a proxy who is not a member of the Company's Key Management Personnel. That person would be permitted to vote undirected proxies.

RESOLUTION 4 – RATIFICATION OF SHARE ISSUE

On 6 October 2011, Catalyst made a private placement of 1,256,143 ordinary fully paid shares, at a subscription price of 35 cents each to raise \$439,650 in additional working capital for the Company. The placement was made by way of an excluded offer of ordinary shares under Section 708 of the Corporations Act.

ASX Listing Rule 7.1 prohibits a listed company from issuing equity securities representing more than 15% of its issued capital in any 12 month period without first obtaining shareholder approval (subject to certain exceptions).

Under ASX Listing Rule 7.4, a company can seek ratification of issues that have been made within the previous 12 month period. The effect of such ratification is that the issue of shares is then deemed to have been made with shareholder approval, thus not counting towards the 15% limit. The approved shares are also included in the base number for calculating the Company's 15% limit, thereby increasing the number of equity securities the Company can issue without first having to obtain shareholder approval under Listing Rule 7.1.

The placement was made within the Company's available 15% capacity at the time of issue. Resolution 4 seeks the ratification by shareholders of the issue of the 1,256,143 shares to sophisticated and professional investors. If the resolution is approved then those shares will be deemed to have been issued pursuant to shareholder approval thus they will not be counted in the 15% capacity.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purposes of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of securities issued was 1,256,143 ordinary fully paid shares;
- (b) the issue price of the securities was 35 cents per share;
- (c) the shares were allotted and credited as fully paid and rank equally with the existing shares on issue;

- (d) the shares were allotted and issued to sophisticated and professional investors, who are not related parties of the Company; and
- (e) the funds raised will be used for exploration programmes on the Four Eagles project and the Company's other mineral exploration projects and for general working capital purposes.

The Board recommends that shareholders vote in favour of Resolution 4 as it allows the Company to retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 month period. The Chairman intends to vote undirected proxies in favour of Resolution 4.

GLOSSARY OF TERMS

“**ASIC**” means Australian Securities and Investments Commission;

“**ASX**” means ASX Limited;

“**ASX Listing Rules**” means the official listing rules of ASX;

“**Board**” means the board of directors of the Company;

“**Closely Related Party**” is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a member of KMP.

“**Company**” or “**Catalyst**” means Catalyst Metals Limited (ABN 54 118 912 495);

“**Constitution**” means the constitution of the Company;

“**Corporations Act**” means the Corporations Act 2001 (Commonwealth);

“**Corporations Regulations**” means the Corporations Regulations 2001 (Commonwealth);

“**Key Management Personnel**” means those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any director (whether executive or otherwise) of the Company.

CATALYST METALS LIMITED

ABN 54 118 912 495

PROXY FORM

Company Secretary
Catalyst Metals Limited
Level 3
50 Colin Street
West Perth Western Australia 6005

FACSIMILE: (08) 9284 5426

I/We _____

being a member of Catalyst Metals Limited,

of (address) _____

holding _____ shares in the capital of the Company,

hereby appoint _____

or failing him/her, the Chairman of the meeting as my/our proxy to vote on my/our behalf at the annual general meeting of the Company to be held on 17 November 2011 at the Celtic Club, 48 Ord Street, West Perth, Western Australia, and at any adjournment thereof. If no voting directions are given, the Chairman will vote in favour of each resolution (other than Resolution 3, where a voting direction must be given), as noted below.

Instructions on voting

	FOR	AGAINST	ABSTAIN
Resolution 1 Re-election of Bruce Kay as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Stephen Boston as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Ratification of share issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Voting direction for Resolution 3

The Chairman (or any member of Key Management Personnel) are prevented from voting undirected proxies on Resolution 3. If you have appointed the Chairman as your proxy (or he may be appointed your proxy by default) your votes will not be counted towards Resolution 3 unless you specifically direct the proxy how to vote. You can do this by either marking the voting directions set out above, or by directing the Chairman to vote in accordance with his stated voting intentions for this resolution, by marking the shaded box adjacent.

I/We direct the Chairman to vote in accordance with the Chairman's voting intentions on Resolution 3 and acknowledge that the Chairman may exercise my/our proxy even though Resolution 3 is connected directly or indirectly with the remuneration of Key Management Personnel, including the Chairman. The Chairman intends to vote all available proxies in favour of Resolution 3.



PLEASE SIGN HERE

Dated this _____ day of _____ 2011

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director and Sole Secretary

Director

Director/Company Secretary

VOTING BY PROXY

1. A member of the Company entitled to attend and vote at the annual general meeting is entitled to appoint a proxy (who need not be a member) to attend and vote on his/her behalf.
2. If the member is entitled to cast two or more votes at the meeting, they may appoint two proxies. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes.
3. The proxy form must be received at the Company's registered office at Level 3, 50 Colin Street, West Perth, Western Australia, 6005, or by facsimile on (08) 9284 5426 and in both cases, not less than 48 hours before the time of the holding of the meeting.
4. In the case of joint holders of a share in the Company the vote of the senior who tenders a vote, whether in person or by proxy, attorney or representative, must be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority is determined by the order in which the names stand in the register.
5. An instrument appointing a proxy must be in writing under the hand of the appointor or of the appointor's attorney, duly authorised in writing or, if the appointor is a corporation, under seal. A copy of the power of attorney must be lodged for any proxy appointed under a power of attorney.
6. A proxy for a corporation must be appointed under the common seal of the corporation or signed in accordance with the requirements of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company; or
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary, that director.

For the Company to rely on the assumptions set out in Sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

7. If no voting instructions are marked on the proxy form then the proxy may vote as he/she thinks fit or may abstain from voting, unless the proxy form or notice of meeting specifies otherwise.

If a proxy is instructed to abstain from voting on an item of business, that person is directed not to vote on the shareholder's behalf on a poll and the shares the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their proxy forms with a direction on how to vote but do not nominate the identity of their proxy will be taken to have appointed the chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned and the nominated proxy does not attend the meeting, the chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the chairman of the meeting which do not contain a direction how to vote will be used to support each of the resolutions proposed in the notice of meeting, if permitted by law.