



ASX: CYL

Quarterly Activities Report

Quarter ended 30 September 2011

SUMMARY

- **Drilling due to commence on Four Eagles Gold Project before the end of October 2011 after no drilling activity during the September 2011 quarter**
- **Drilling to include further reconnaissance along 25 km trend in addition to follow up testing on high grade trends**
- **Placement raises approximately \$440,000 in October 2011.**

Four Eagles Gold Project (Victoria)

There was no drilling activity on the Four Eagles Gold Project during the September 2011 quarter due to seasonal winter conditions. Exploration activities involved further compilation of data and preparation for the forthcoming aircore drill programme, commencing before the end of October 2011.

On 24 December 2010, Catalyst Metals Limited signed a formal heads of agreement to form a joint venture with a private company, Providence Gold & Minerals Pty Ltd, to further explore and develop the Four Eagles Gold Project (EL4525 and EL5295). Aircore drilling by Catalyst Metals during 2011 has confirmed the existence of a large footprint of anomalous gold mineralisation in basement rocks covering an area of 5kms long by 2 kms wide, totally concealed by younger Murray Basin sediments (Figure 1).

This zone is open in all directions and contains several high grade intersections (**3 metres @ 9.71g/t Au in FE380, 6 metres @ 82.7g/tAu in FE328, 3 metres @ 31.3g/tAu in FE415, 3 metres @ 5.18 g/t Au in FE471, 3 metres @ 3.34 g/tAu in FE 343, and 0.8 metres @ 17.5 g/t Au in FEDD001**).

Basement depths are variable ranging from 9 metres to approximately 150 metres. Although the aircore pattern is still very widely spaced, there seem to be at least three lines of lode present and this setting shows similarities to the large mineralised footprint at Bendigo that produced 22 million ounces of gold. The Four Eagles Gold Project is located about 60 km north along strike of the Bendigo Goldfield in a similar structural position west of the regional Whitelaw Fault (Figure 2).

An aircore programme is about to commence at the Four Eagles Gold Project but will be mostly confined to accessible road reserves. Reconnaissance aircore drilling will be undertaken where possible on the northern part of the tenements and closer spaced aircore drilling will test sections of the two eastern mineralised zones (Eagle 3 and Eagle 4) on EL 4525 where previous high grade intersections have been obtained. It is also hoped that a reverse circulation drill can be hired to better penetrate some of these gold bearing quartz veins.

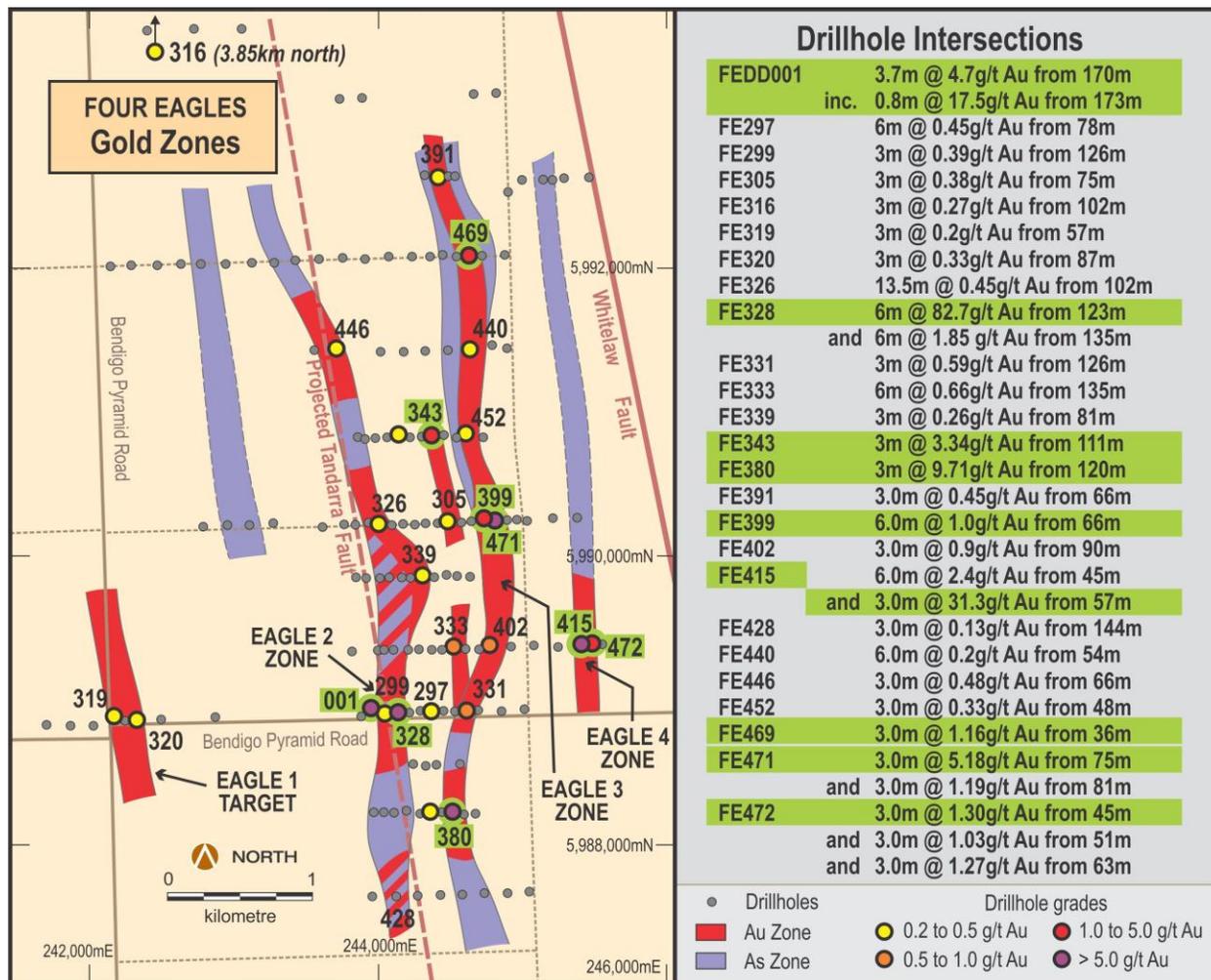


Figure 1 – Gold Zones at Four Eagles Gold Project

Everton Project (Victoria)

A meeting was held with the Victorian DPI in Benalla to discuss the proposed field programme at Everton which has been delayed because of the inability to contact the relevant landowner. It is hoped that this can be resolved in the December 2011 quarter.

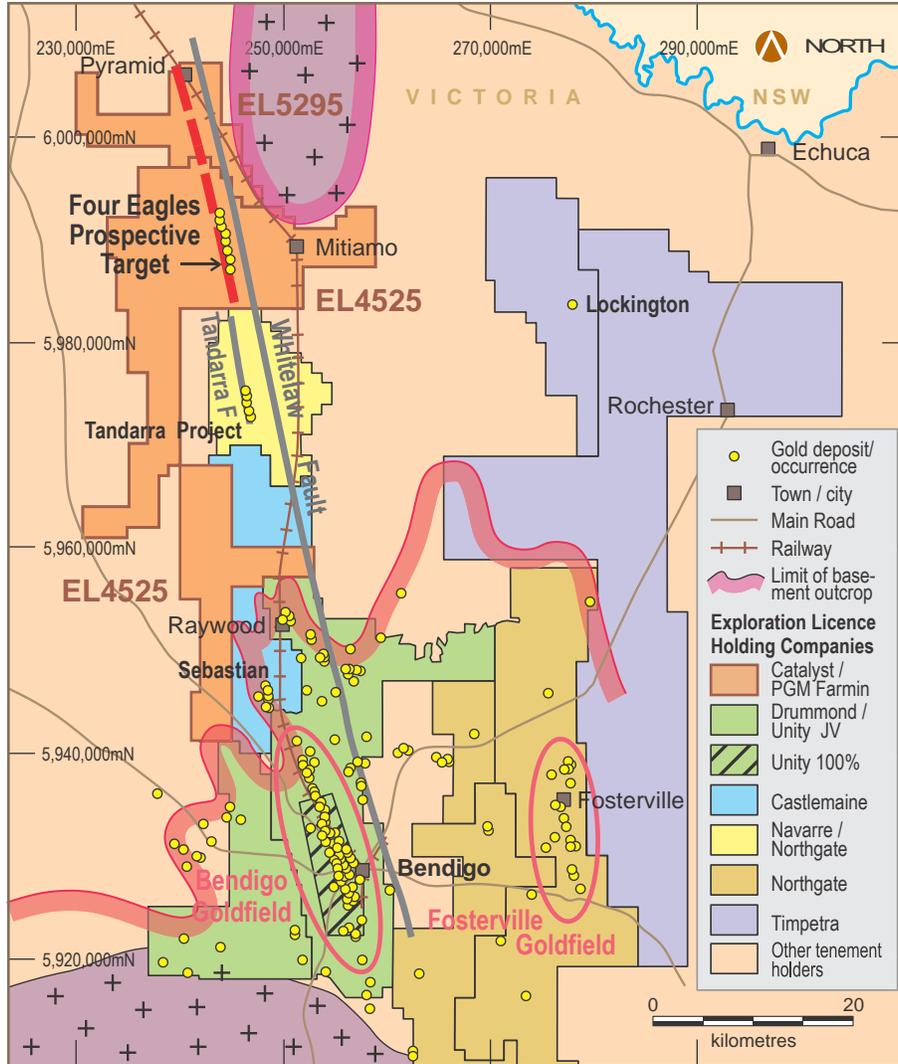


Figure 2 – Four Eagles Gold Project location

Minnie Creek Project (Western Australia)

The Minnie Creek Project area is located within the Gascoyne Mineral Field of Western Australia and lies approximately 240 km northeast of Carnarvon (Figure 3).

Previous exploration activity undertaken by Catalyst Metals has resulted in the discovery of the Minnie Springs Molybdenum prospect where drilling included highlights such as: 31 metres at 1090ppm Mo (0.11% Mo) from 74 metres depth and 22 metres at 1030ppm Mo (0.10% Mo) from 46 metres depth.

There was no field activity on the projects during the September 2011 quarter but a technical review has proposed that a RAB drilling programme be undertaken to test the Nina tungsten prospect (Eudamullah E09/1174) in areas where high grade tungsten in rock chips had been obtained.

Drilling is also recommended at Bluebush Well (E09/I303) to test an area where anomalous uranium values are present in association with calcrete. The ability to undertake this programme before the summer season is dependent on rig availability.

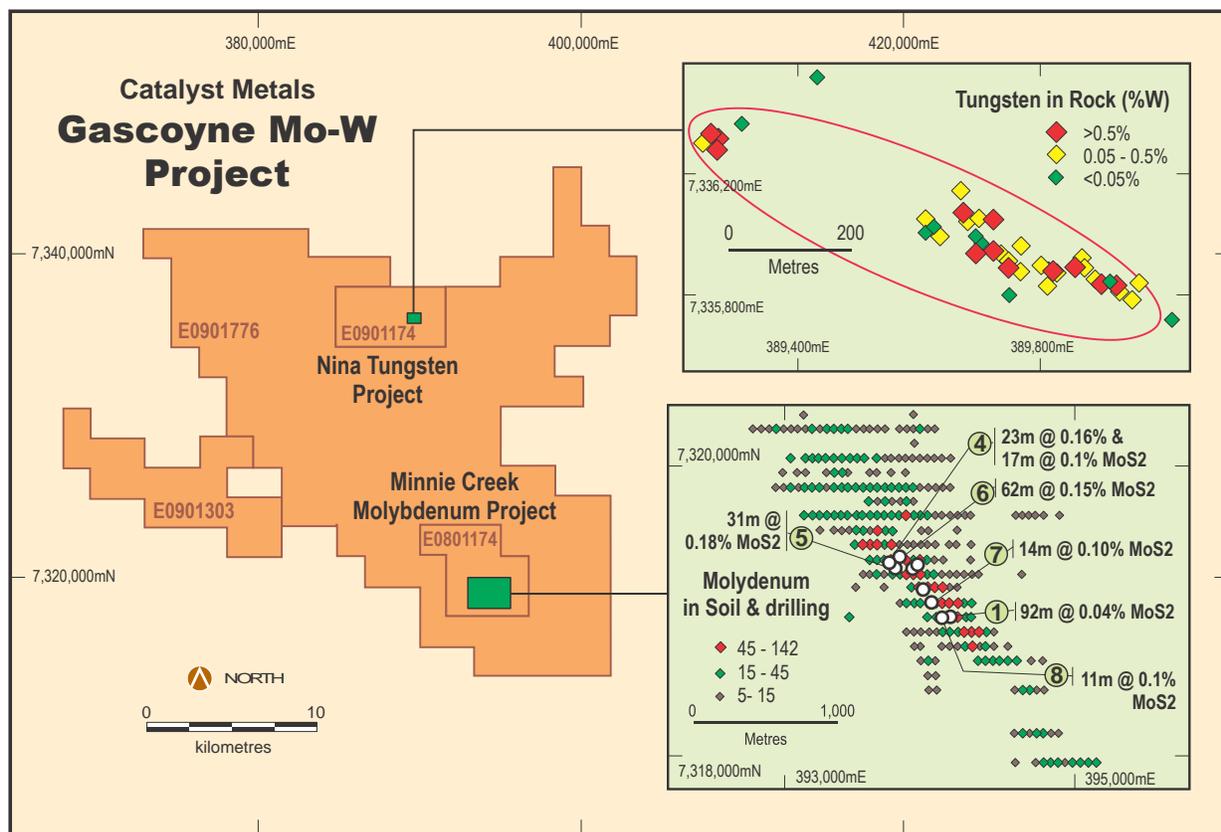


Figure 3 – Minnie Creek Project Tenements

CORPORATE

On the 29 August 2011 the Company changed its registered office address to Level 3, 50 Colin Street West Perth WA 6005.

On the 23 September 2011 the Company held a General Meeting to ratify the refreshing of the Company's 15% capacity under ASX Listing Rule 7.1 in relation to the issue of 750,000 ordinary fully paid shares to Providence Gold and Minerals Pty Ltd pursuant to the Four Eagles Heads of Agreement and the issue of 3,250,000 ordinary fully paid shares at a subscription price of 20 cents each to raise \$650,000 in additional working capital for the Company via a private placement earlier in the year.

Approval was also sought for the implementation of a Company Performance Rights Plan to provide ongoing incentives to selected employees, Directors and consultants of the Company or any of its subsidiaries. Finally approval was sought for the issue of Performance Rights to Mr Bruce Kay for having successfully secured and negotiated the Four Eagles Heads of Agreement on behalf of the Company. His Performance Rights will provide an incentive to him should the Company successfully farm-in to the Four Eagles Project. All Resolutions were passed without

amendment. Proxies in excess of 70% of the issued capital of the Company were received in favour of all four of the Resolutions.

On the 29 September the Company released its Annual Report and Financial Statements for the year ended 30 June 2011.

As a subsequent event the Company completed a share placement of 1,256,143 ordinary fully paid shares at a subscription price of 35 cents per share to raise \$439,650 before costs, which it announced on the 6 October 2011. The placement amount was the balance remaining under Catalyst's 15% placement capacity and was made by way of an excluded offer of ordinary shares under section 708 of the Corporations Act 2001. The Placement capital will fund the Company's next phase of drilling at the Four Eagles Gold Project in Victoria which is scheduled to commence in October 2011 and finish in November 2011.

During the September 2011 quarter the Company continued to focus its resources on the Four Eagles Gold Project whilst controlling costs and reviewing a number of additional project opportunities. Cash on hand at the end of the September 2011 quarter was \$2.1 million.

Enquiries to:

Mr Steve Boston - Chairman
Telephone: (+61-8) 9383 2825

Visit: www.catalystmetals.com.au

Corporate summary	
ASX trading code	CYL
Quoted shares:	40,344,369
Unlisted options:	2,000,000
Unlisted performance rights:	1,000,000
Cash balance at end of quarter:	\$2.1 million
Postal address:	PO Box 778 Claremont, Western Australia 6910
Telephone:	(+61 8) 9383 2825
Facsimile:	(+61 8) 9284 5426
E-mail:	admin@catalystmetals.com.au
Web-site:	www.catalystmetals.com.au

Competent person's statement

The information in this report that relates to exploration results is based on and accurately reflects, information compiled by Mr Bruce Kay, 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 which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which 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 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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/01, 01/06/10, 17/12/10.

CATALYST METALS LIMITED

ABN

54 118 912 495

Quarter ended ("current quarter")

30 September 2011

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(96)	(96)
(b) development	-	-
(c) production	-	-
(d) administration	(132)	(132)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	30	30
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(198)	(198)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(198)	(198)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(198)	(198)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – placement funds received in advance	390	390
	Net financing cash flows	390	390
	Net increase (decrease) in cash held	192	192
1.20	Cash at beginning of quarter/year to date	1,919	1,919
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,111	2,111

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	48
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Payments to directors and employees for services to the economic entity.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not Applicable

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not Applicable

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	200
4.2 Development	-
4.3 Production	-
4.4 Administration	75
Total	275

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	438	281
5.2 Deposits at call	1,673	1,638
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,111	1,919

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	N/A	N/A	N/A	N/A
6.2 Interests in mining tenements acquired or increased	N/A	N/A	N/A	N/A

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security	Amount paid up per security
7.1 Partly paid +securities				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	39,088,226	39,088,226		Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options - Unlisted - Unlisted	1,000,000 1,000,000	- -	<i>Exercise Price</i> \$0.20 \$0.30	<i>Expiry Date</i> 30 June 2014 30 June 2015
7.8 Issued during quarter	-	-		
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Print name: Frank Campagna
Company Secretary

Date: 31 October 2011

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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