



ASX: CYL

Quarterly Activities Report

Quarter ended 30 September 2010

SUMMARY

- Development of field programmes for the Minnie Creek and Everton projects.
- Data validation and review of geological database.
- Share placement to raise \$585,000 in working capital subsequent to the end of the quarter.

Minnie Creek Project (Western Australia)

No field activities were undertaken on the Minnie Creek tenements during the period, with efforts focussed on a comprehensive review of the geological database of the project. Work completed included data validation and compilation of all historic data. Up to date maps of geochemical, geological and historic drilling results were produced.

An exploration programme and budget for the next phase of field activities was developed during the quarter. The programme consists of mapping, prospecting and sampling beyond known areas of mineralisation, with the aim of determining the geological controls of mineralisation in the area and determining the link between the various areas of geochemical anomalies and identifying extensions of these known anomalies.

Everton Project (Victoria)

No field activities took place at the Everton project during the quarter. Projects maps were produced to assist in the development and review of future work programmes.

A proposed exploration programme and budget was prepared for the next round of field activities. The programme consists of detailed surface channel sampling of the Everton pit.

Project Generation

Evaluation of additional project opportunities continued during the quarter.

CORPORATE

In October 2010, the Company concluded a private share placement of 4,500,000 ordinary fully paid shares at a subscription price of 13 cents per share to raise \$585,000. The funds raised will be used for planned exploration programmes on the Company's existing projects, the review of additional project opportunities and for general working capital purposes.

All resolutions proposed at the general meeting of the Company held on 2 July 2010 were approved by shareholders.

During the quarter, a total of 2,000,000 unlisted options were issued to key corporate and technical consultants.

Enquiries to:

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Corporate summary	
ASX trading code	CYL
Quoted shares:	30,588,226 (at end of quarter)
Unlisted options:	2,000,000
Cash balance at end of quarter:	\$2.11 million
Postal address:	PO Box 778 Claremont, Western Australia 6910
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Facsimile:	(+61 8) 9284 5426
E-mail:	admin@catalystmetals.com.au
Web-site:	www.catalystmetals.com.au

Competent persons statement

The information in this report that relates to exploration results is based on and accurately reflects, information compiled by Mr Dean de Largie B.Sc. Geol, who is a Fellow of the Australian Institute of Geoscientists. Mr de Largie is a geological consultant to 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 de Largie 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, 30/9/2001, 01/06/10.

Name of entity

CATALYST METALS LIMITED

ABN

54 118 912 495

Quarter ended ("current quarter")

30 September 2010

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	(28)	(28)
(b) development	-	-
(c) production	-	-
(d) administration	(71)	(71)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	16	16
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net operating cash flows	(83)	(83)
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	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(83)	(83)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(83)	(83)
	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: funds received in advance for share placement	420	420
	Net financing cash flows	420	420
	Net increase (decrease) in cash held	337	337
1.20	Cash at beginning of quarter/year to date	1,773	1,773
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,110	2,110

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	17
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments to directors and director-related entities for directors' fees and superannuation contributions.

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	125
4.2 Development	-
4.3 Production	-
4.4 Administration	75
Total	200

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	532	208
5.2 Deposits at call	1,578	1,565
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,110	1,773

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		
6.2		Interests in mining tenements acquired or increased		

+ 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 (cents)	Amount paid up per security (cents)
7.1 Preference ⁺securities				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 ⁺Ordinary securities Ordinary fully paid shares	30,588,226	30,588,226		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 Options over fully paid shares	1,000,000 1,000,000	- -	<i>Exercise price</i> 20 cents 30 cents	<i>Expiry date</i> 30.06.14 30.06.15
7.8 Issued during quarter	1,000,000 1,000,000	- -	20 cents 30 cents	30.06.14 30.06.16
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 4).
2. This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 28 October 2010

Print name:

Frank Campagna
Company Secretary

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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
5. **Accounting Standards** ASX will accept, for example, the use of International Accounting 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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