



ASX Release
21 July 2009

PROPOSED PLACEMENT OF SHARES

Catalyst Metals Limited (ASX Code: CYL) (**'Catalyst'** or **'the Company'**) is pleased to announce it has engaged Equity Advisers Pty Ltd to assist Catalyst with a capital raising to raise up to A\$353,000 by way of a placement of 3,530,000 ordinary fully paid shares ("Placement"). The Placement is by way of an excluded offer of ordinary fully paid shares under section 708 of the Corporations Act.

The funds raised under this placement are intended to be used for further exploration of the Everton Project and to provide additional working capital for the Company.

Further information required by Listing Rule 3.10.3 in relation to the placement accompanies this announcement.

Yours faithfully

A handwritten signature in black ink, appearing to be "N. McMahon", written over a horizontal line.

Nathan McMahon
Chairman

LISTING RULE 3.10.3 INFORMATION

In accordance with Listing Rule 3.10.3, Catalyst Metals Ltd provides the following details of the placement of securities:

Class of Security	Fully paid ordinary shares
Number to be issued	3,530,000
Principal terms of securities	The shares will carry standard rights applicable to ordinary shares in Catalyst Metals Ltd and will, from the date of issue rank equally with fully paid ordinary shares currently on issue.
Issue price	\$0.10
Shareholder approval	Catalyst Metals Ltd will not seek shareholder approval prior to the issue of the shares and will rely on its capacity under Listing Rule 7.1
Issue to Class	The issue is not being made to a class of security holders.