

ASX Release

Date 30/1/07

No. of pages lodged: 5

Catalyst Metals Ltd

Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

Dear Sir or Madam,

SUCCESSFUL DRILL RESULTS CONFIRM RESOURCE POTENTIAL OF MOLYBDENUM DISCOVERY

- **Balance of drilling program results received**
- **Program confirms mineralisation over 400m strike to 120m depth**
- **Scoping study to commence**

Catalyst Metals Ltd is pleased to advise it has received the balance of assay results from the initial drilling program of its Minnie Springs molybdenum discovery in Western Australia. These new results confirm the presence of a higher grade core within a system that contains widespread **porphyry-style Mo mineralisation** that has now been intersected over a **400m strike length** by 14 RC drillholes on 9 lines at depths from surface to 120m downhole.

The recently completed drilling program targeted a **500m** portion of a **3250m** long molybdenum geochemical anomaly hosted by a substantial hydrothermal system of pyrite, molybdenite and minor chalcopyrite in a silicic-potassic altered granitoid. The style of mineralisation and zoned alteration is similar to low-fluorine type molybdenum porphyry deposits as being mined in British Columbia and North America.

ASX Code: CYL

Capital Structure

CYL Ordinary Shares 23,000,000
Incentive Shares 8,000,000
Options 11,500,000
(20 cent) expiring Dec 2008

Cash Balance

Dec 06 \$2,900,000

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Significant new assay results include drillhole MRC 20 which intercepted **22m at 0.07% Mo from 42m including 4m at 0.13% Mo from 52m** and drillhole MRC14 which although drilled opposite azimuth to most holes due to topography, provided intersections including **70m at 0.04% Mo from 36m with 2m at 0.16% Mo from 76m and 2m at 0.13% Mo from 100m.**

Drillhole MRC25 intersected a high grade zone of **4m at 0.14% Mo from 62m.** Other intersections include **10m at 0.03% Mo from 38m and 20m at 0.04% Mo from 54m** in MRC27. Within this zone and adjacent to the historical diamond drillhole MSD 3 which intersected **4m at 0.17% Mo from 16m,** new drillhole MRC26 intercepted **36m at 0.03% Mo** including **4m at 0.09% Mo from 16m.**

Drill samples in this program were collected every metre and composited to two metres for molybdenum (Mo) analysis by the XRF pressed powder method.

The original discovery hole at Minnie Springs was MRC 6 which recorded **61m at 0.10% Mo from 3m** including **24m at 0.14% Mo from 11m.** The recently completed drill program has determined that this intersection is part of a higher grade core to a wide zone of lower grade Mo mineralisation which remains open at depth.

In the previously announced results of the current program drillhole MRC10 intercepted **52m at 0.07% Mo from 10m** which included **20m at 0.12% Mo from 24m.** High grades were also intercepted underneath zones of rich surface samples with MRC 7 returning **24m at 0.07% Mo** including **8m at 0.17% Mo from 20m** depth and MRC 8 returning **34m at 0.07% Mo from 32m** including **16m at 0.10% Mo from 32m** in the region where previous **surface channel sampling** returned **20m at 0.12% Mo.**

Significantly the depth of the zone is still open, with historic diamond drilling showing mineralisation to **198m downhole depth (MSD 2).** Along strike there remains an untested zone of **300m** southeast between MRC27 and several historic RC drillholes where intercepts included MRC1 with **22m at 0.04% Mo from surface** including **1m at 0.24% Mo from 21m.**

The drilling results are currently being assessed and in-house scoping studies to determine the potential economics of the higher grade core will now be conducted.

The location of the 2006 Catalyst reverse circulation drill holes along with historic drilling locations are shown on the attached Plan. Details of significant results from this last group of drillholes is shown on the attached Table. For further information on the company please visit <http://www.catalystmetals.com>

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Please direct enquiries to:

Mark Thompson – Exploration Director

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Information in this report has been reviewed by a Competent Person as defined in the JORC Code, being Mr Howard Dawson B.App.Sc SFFINSIA AIG, who has sufficient experience in mineral resource estimation relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking, and consents to the inclusion in the public release of the matters based on their information in the form and context in which it appears. Gold equivalents are calculated using current published prices of Technical Moly Oxide (MoO₃) at US \$24.50/lb and Gold US \$607/oz. Technical Moly Oxide is approximately 57% Mo.

About Catalyst Metals Ltd

Catalyst is an ASX listed mineral explorer focussed on the highly prospective Minnie Creek project in Western Australia, where significant new mineralised zones of molybdenum, gold, copper, tungsten and uranium have been recently discovered within a 900km² area. Catalyst has cash on hand to aggressively test these discoveries and a capital structure designed to offer investors high leverage to further exploration success.

About Molybdenum

Molybdenum (chemical symbol Mo - commonly called “Moly”) is a silvery-white metal used primarily to increase the strength and durability of steel, producing steel alloys such as stainless steel and corrosive resistant pipelines for the gas and oil industries. It is finding growing ‘clean technology’ use as an important catalyst to ‘crack’ hydrocarbons and clean up low-quality fossil fuels. In the energy market molybdenum is in demand where its strength and high melting point suit use in linings and pipes for both nuclear fission reactors and experimental nuclear fusion reactors.

Molybdenum is obtained principally from porphyry-type deposits and occurs in very low grade percentages. Primary molybdenum operations such as Endako in B.C mine grades of 0.06% Mo to depths of 300m open pit.

The price of molybdenum has increased over 500% since 2000 on increasing consumption and dwindling supply. Main producers include Rio Tinto, Teck-Cominco, Phelps Dodge, Codelco and Jinduicheng. In 2006 the production of 3 primary mines and 6 by-product mines in North America alone was 60,500 tonnes worth US\$3.2 billion. Molybdenum is not traded on the LME but is exchanged by private contract. Price information can be obtained at www.platts.com

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Table 1. Significant assay results from balance of RC drilling at Minnie Springs

Hole ID	Location (AGD84)		Depth (m)	Azimuth	Dip	Intersections		Length (m)	% Mo	Equiv. Au g/t	
	North	East				From	To				
MRC 14	7319128	393620	120	45	-60	36	106	70	0.04	1.9	
						including	76	78	2	0.16	7.8
						including	100	102	2	0.13	6.3
MRC 19	7319277	393632	75	225	-60	46	58	12	0.05	2.4	
						including	54	58	4	0.10	4.9
MRC 20	7319251	393597	75	225	-60	26	74	48	0.05	2.4	
						including	42	64	22	0.07	3.4
						which included	52	56	4	0.13	6.3
MRC 25	7319329	393400	75	45	-60	62	66	4	0.14	6.8	
MRC 26	7319124	393761	75	225	-60	8	44	36	0.03	1.5	
						including	16	20	4	0.09	4.4
MRC 27	7319089	393797	75	225	-60	38	48	10	0.03	1.5	
						54	74	20	0.04	1.9	

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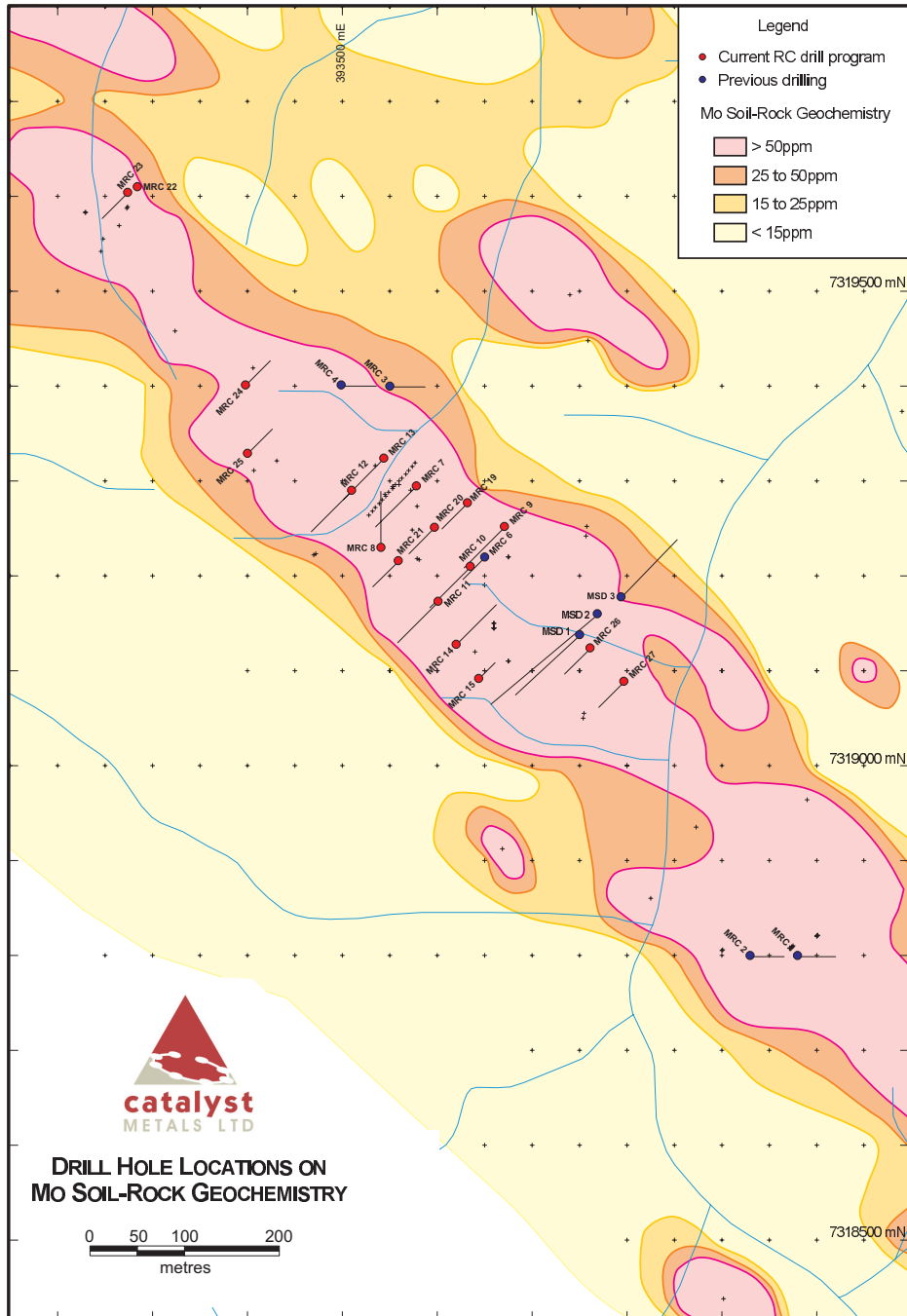
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Plan 1. Drillhole locations at molybdenum zone, Minnie Springs.



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