

HENTY - JUNE QUARTER PRODUCTION UPDATE

Henty Gold Mine Beats Production Guidance

Strong quarterly production generates cashflow required for Henty to continue funding exploration at Bendigo

Key Points

- Quarterly production of 6,397 ounces of gold
- Processed 56,672 tonnes at 3.9g/t Au with recovery at 94.1%
- FY22 production totalled 25,199oz, exceeding guidance of 25,000oz
- Catalyst aims to reach an annualised gold production rate of 35,000oz by end of FY23
- Henty's cashflow funds Catalyst's exploration campaign at its Four Eagles Gold Project in Victoria, where the Company aims to find the northern extension of the lucrative Bendigo Goldfield
- Work on a maiden JORC Resource at Four Eagles is well advanced; This Resource will underpin a decision on establishing an exploration tunnel to facilitate underground drilling

Catalyst Metals Limited (ASX: CYL) is pleased to report strong June quarter results which provide more evidence that the growth strategy at its Henty gold mine in Tasmania is working.

For FY22, Henty produced 25,199oz of gold, exceeding the Company's annual production guidance of 25,000oz of gold. Production for the June 2022 Quarter totalled 6,755oz of gold from 56,672 tonnes processed at a head grade of 3.9g/t Au and recovery of 94.1%.

In light of the strong results on both the exploration and production fronts, Catalyst aims to reach an annualised gold production rate of 35,000oz by the June quarter of 2023.

Other pleasing aspects of the operation's quarterly performance were an increase in the development (728m vs 578m in previous quarter) and diamond drilling rates (14,240m vs 9,449m in previous quarter) – two important indicators to Henty's future success.

Catalyst Metals Chief Executive Officer John McKinstry said: *"These results show that our growth strategy at Henty is working. We are increasing mining inventory through an aggressive drilling campaign and there is a solid trend of production growth. Importantly, this is capital-efficient growth because it is being achieved for a relatively small cost."*

Table 1: Quarterly Production Results

	March Qtr	June Qtr		FY22
Mining				
Ore Mined (t)	61,304	60,500		223,745
Mine Grade (g/t)	3.1	4.0		4.0
Mill production				
Processed (t)	57,847	56,672		215,504
Average Head Grade (g/t)	3.2	3.9		3.9
Recovery Gold (%)	91.3%	94.2%		92.3%
Gold Produced (oz)	5,358	6,755		25,199
Gold Sales				
Gold Sold (oz)	5,004	6,780		24,771
Gold Price Realised (\$/oz)	2,594	2,632		2,529

FY23 production rate is anticipated to progressively increase from the current rate of 25,000ozpa to an annualised rate of 35,000ozpa by end of FY23. This increase will be achieved by adding a new mining crew to the upper areas of the mine.

The increased production rate has been made possible by continued successful expansion of the Mineral Resource. Catalyst has had three drill rigs drilling for almost 12 months and in the past quarter introduced a fourth rig to enable more exploration drilling from underground. The continued investment in drilling is necessary to build both new Resources and add confidence to existing Resource material.

The planned production increase involves only minor capital investment as the new mining crew will utilise equipment already at site. The processing plant needs no new investment to handle the additional ore tonnes mined.

The key to increased production is developing access to new stoping areas in a timely manner. The addition of the new mining crew is critical to the mining plan. The new crew will commence in August, 2022.

This announcement has been approved for release by the Board of Directors of Catalyst Metals Limited.

For further information contact:

John McKinstry

CEO

T +61 8 6107 5878

E admin@catalystmetals.com.au

James Champion de Crespigny

Director