

Catalyst Metals

Catalyst Metals controls three highly prospective gold belts. It has a multi asset strategy.

It owns and operates the high-grade Henty Gold Mine in Tasmania which lies within the 25km Henty gold belt. Production to date is 1.4Moz @ 8.9 g/t¹.

It also controls +75km of strike length immediately north of the +22Moz Bendigo goldfield in Victoria and home to the new, greenfield discovery at Four Eagles.

With the acquisition of Vango in February 2023, the Company now controls the 40 km long Marymia Gold Belt in WA with gold mineral resources of 1Moz @3.0g/t Au².

Capital Structure

Shares o/s: 174m
Cash: \$38.1m (Mar-23)
Debt: \$13.7m

Board Members

Stephen Boston
Non-Executive Chairman

James Champion de Crespigny
Managing Director & CEO

Bruce Kay
Non-Executive Director

Robin Scrimgeour
Non-Executive Director

Corporate Details

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Superior Gold Management Information Circular

Notice of Meeting and Management Information Circular (Part 2 of 3)

- Appendix "I" Information Concerning Catalyst

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

James Champion de Crespigny
Managing Director and CEO

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APPENDIX "I" INFORMATION CONCERNING CATALYST

Notice to Reader

Unless the context indicates otherwise, capitalized terms which are used in this Appendix "I" and not otherwise defined in this Appendix "I" have the meanings given to such terms forth in the glossary of terms found at Appendix "M" in this Company Circular. Technical terms and abbreviations used in this Appendix "I" have the meanings set forth in the glossary of technical terms found at Appendix "N" in this Company Circular.

Corporate Structure

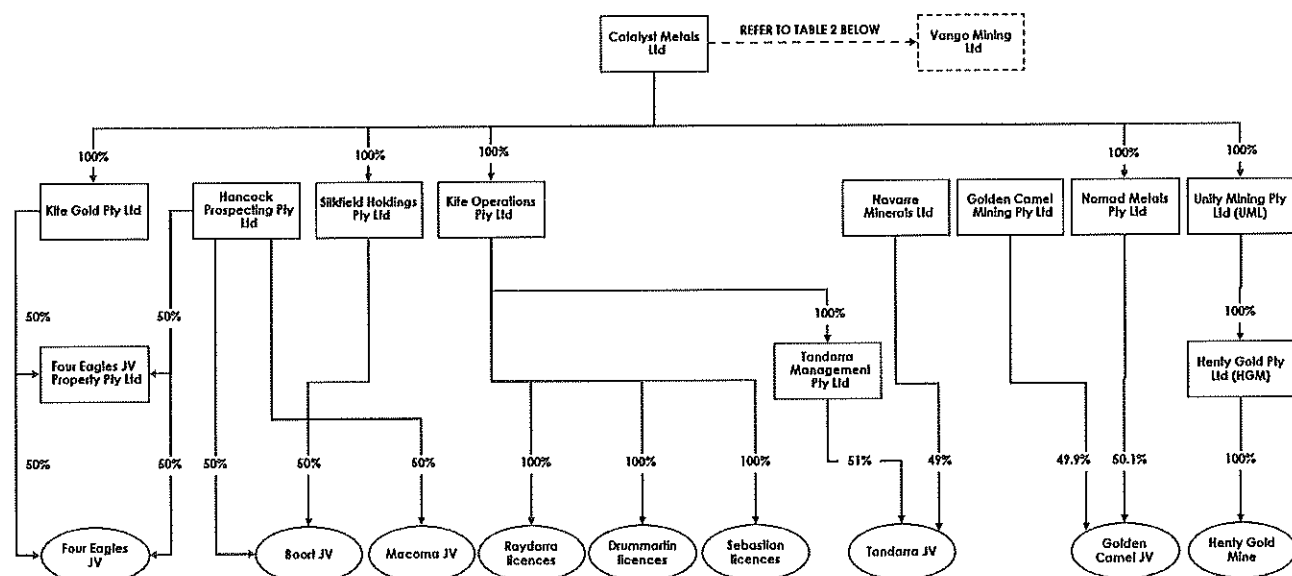


Table 1: Catalyst Corporate Overview (General)

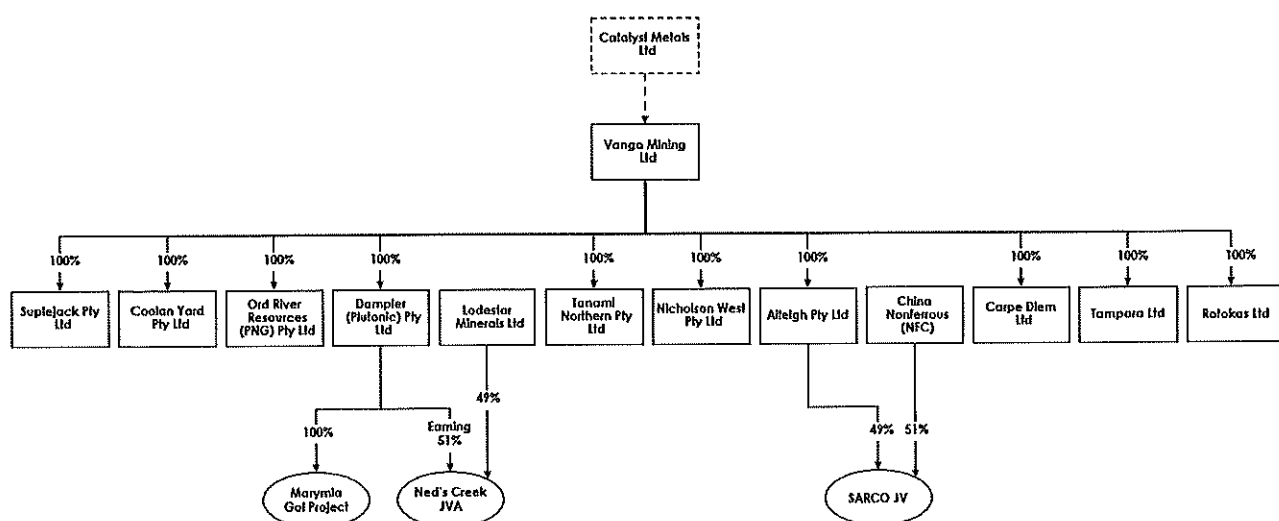


Table 2: Catalyst Corporate Structure (Vango)

Catalyst Metals Limited, a corporation existing under the ACA, was incorporated as "Grosvenor Resources Limited" on April 1, 2006. Catalyst changed its name to "Catalyst Metals Limited" on May 19, 2006. The registered and principal office of Catalyst is located at Suite 9, 331-335 Hay Street, Subiaco 6008, WA, Australia.

With the exception of the subsidiaries noted below, all subsidiary companies of Catalyst were incorporated in Australia and are registered Australian companies. The following companies were incorporated outside of Australia.

Name of entity	Country of Incorporation	Catalyst equity %
Aileigh Pty Ltd	British Virgin Islands	100%
Carpe Diem Limited	Papua New Guinea	100%
Tampara Limited	Papua New Guinea	100%
Rotokas Limited	Papua New Guinea	100%

Summary Description of the Business of Catalyst

Catalyst is an ASX mineral exploration company with interests in gold exploration projects in the Bendigo Goldfields region, the Marymia Gold Project in Western Australia and the producing Henty Gold Mine in Tasmania.

Business Strategy

Catalyst's strategy is to control gold belts in established mineral provinces in Australia which, in management's view, provide the company with exploration upside.

The three pillars of Catalyst's current strategy are as follows:

- in Western Australia, Catalyst owns the Marymia Gold Project located approximately 300 kilometres northeast of Meekatharra in the mid-west region of Western Australia, at the northern end of the Eastern Gold Fields Province;
- in Victoria, Catalyst holds a significant landholding with a large, contiguous dominant tenement package covering 75 kilometres of strike length immediately north of the proven +22Moz Bendigo Goldfields and near Agnico Eagle's high grade Fosterville gold mine; and
- in Tasmania, Catalyst owns a strategic tenement package covering 25 kilometres of strike length of the under explored Henty fault and operates the high-grade Henty Gold Mine which has produced 1.4Moz of gold at a head grade of 8.9 g/t gold.

Specialized Skills and Knowledge

All aspects of Catalyst's business require specialized skills and knowledge. Such skills and knowledge include the areas of finance, geology, drilling, mining, construction, engineering, metallurgy, accounting and natural resources. Catalyst retains executive officers and consultants with experience in these areas in Australia, and has ready access to technical personnel who, collectively, provide Catalyst with the specialized skills and knowledge required to conduct its business operations.

Economic Dependence and Components

Catalyst's business is not dependent on any contract to sell the major part of its products or to purchase the major part of its requirements for goods, services or raw materials, or on any franchise or license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends. It is not expected that Catalyst's business will be affected in the current financial year by the renegotiation, amendment or termination of any contracts or subcontracts.

Business Cycles

Catalyst's business may be considered cyclical to a limited extent, due to fluctuations in commodity prices.

Environmental Protection

Catalyst's activities are subject to, and any future development and production operations will be subject to, environmental laws and regulations in the jurisdictions in which its operations are carried out. See "*Risk Factors*" of this Appendix "I".

Exploration activities have a limited impact on the environment while mining is an extractive industry that has environmental impacts. Catalyst's goal is to constantly evaluate ways to minimize that impact. Catalyst has strived to meet or exceed environmental standards at all of its projects through effective engagement with affected stakeholders, including local communities, traditional owners, government and regulatory agencies.

Catalyst is currently active in Western Australia, Tasmania and Victoria, each of which has established environmental standards and regulations. Catalyst's environmental performance is overseen at the board of directors' level and environmental performance is the responsibility of Catalyst. In common with other natural resources and mineral processing companies, Catalyst's operations generate hazardous and non-hazardous waste, effluent, emissions into the atmosphere and contaminated soils that are all managed in compliance with local and international regulations and standards. There are numerous environmental laws at a federal and state level that apply to Catalyst's operations, exploration, and development projects. These laws address matters such as protection of the natural environment, air and water quality, emissions standards and disposal of waste.

Catalyst recognizes environmental management as a corporate priority and places a strong emphasis on preserving the environment for future generations, while also providing for safe, responsible and profitable operations by developing natural resources for the benefit of its employees, stakeholders and communities. Catalyst intends to maintain the standards of excellence for environmental performance it has set at its mining properties into the future and has adopted appropriate measures in order to do so.

Cognizant of its responsibility to the environment, Catalyst strives to comply with all applicable environmental laws and regulations and to promote respect for the environment in conducting its activities. Employees are expected to maintain compliance with the letter and spirit of all laws governing the jurisdictions in which they perform their duties. Specifically, employees are expected to support Catalyst's efforts to develop, implement and maintain procedures and programs designed to protect and preserve the environment.

Environmental and Social Policies

Catalyst has not implemented any formal social or environmental policies that are fundamental to its operations. However, Catalyst emphasizes a safe and secure working environment for all of its employees, contractors and consultants, and recognizes, and conducts its operations with a recognition of, the importance of operating in a sustainable manner, in compliance with all applicable environmental laws. In reporting its financial results, Catalyst recognizes a provision for rehabilitation with respect to the estimated cost of rehabilitation and restoration of the areas disturbed by mining activities up to the applicable reporting date, but not yet rehabilitated, and recalculates and updates its site rehabilitation provision as applicable, with the help of an independent third party, to reflect any changes in discount rates and timing or amounts to be incurred. In addition, as part of Catalyst's ongoing management of operations, Catalyst conducts monthly testing, with management of Catalyst reporting Catalyst's environmental compliance with applicable state and federal regulations to the Catalyst Board on a regular basis.

Competitive Conditions

The gold mineral exploration and mining business is a competitive business. Catalyst competes with numerous other companies and individuals in the search for and the acquisition, development and advancement of attractive gold assets, and to retain qualified personnel, suitable contractors for drilling and bulk sampling operations, technical and engineering resources, and necessary exploration and mining equipment.

Foreign Operations

All of Catalyst's operations are conducted in Australia, and accordingly, its operations are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties vary from country to country and include, but are not limited to, currency exchange rates, labour unrest, renegotiation or nullification of existing agreements, licenses, permits and contracts, changes in taxation policies, restrictions on foreign exchange, changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors, or which require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Changes, if any, in operational or investment policies or shifts in political attitude may adversely affect our operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, income taxes, environmental legislation, and land and water use. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on Catalyst's results of operations or prospects.

Employees

As at the time of this Company Circular, Catalyst had 161 full-time employees.

On an ongoing basis, Catalyst evaluates the expertise and skills required to execute its business strategy and will seek to attract and retain the individuals required to meet Catalyst's goals as needed.

Catalyst believes its success is dependent on the performance of its management team and key individuals, many of whom have specialized skills in exploration and the gold industry. Substantially all of Catalyst's current site individuals have been active at the Windfall Project for several years and are knowledgeable as to the geology, engineering, construction, environment, mining, metallurgy and infrastructure related to mining development.

Catalyst believes it has adequate personnel with the specialized skills required to carry out its operations and anticipates making ongoing efforts to match its workforce capabilities with its business strategy for its operations as it evolves.

Recent Developments

The general development of the business of Catalyst over the past three years is described below.

On December 21, 2020, Catalyst announced and approved a A\$9 million exploration program on its Bendigo project, agreed to acquire 100% of the Henty Gold Mine, and announced a proposed A\$18 million financing through a single tranche issuance of approximately 8.6 million Catalyst Shares. The A\$18 million equity financing closed on December 30, 2020, at a price of A\$2.10 per share (the "**December 2020 capital raise**"). Argonaut Securities Pty Ltd acted as lead arranger. Funds raised were allocated for funding the Henty Gold Mine acquisition, supporting major exploration campaigns across Catalyst's portfolio and for general working capital requirements.

On December 24, 2020, Catalyst announced the appointment of Mr. Bruce Robertson as Chief Executive Officer.

On January 20, 2021, Catalyst completed the acquisition of the Henty Gold Mine in Tasmania, by purchasing shares in Unity Mining Pty Ltd from Diversified Minerals Pty Ltd. The consideration for the acquisition consisted of A\$8 million in Catalyst Shares at A\$2.10 per share, an initial cash payment of A\$6 million and two deferred payments of A\$3 million each, six- and 12-months following closing of the acquisition. The deferred payments were made as required. The acquisition was important for Catalyst as it allowed Catalyst to transition from explorer to producer and to execute its strategy of controlling gold belts with exploration upside.

On February 4, 2021, Catalyst raised A\$1.26 million through a private placement of 600,000 Catalyst Shares, at a price of A\$2.10 per share, following further demand from shareholders after the December 2020 capital raise. Argonaut Securities Pty Ltd acted as lead arranger. Funds raised were allocated for ongoing growth initiatives, including exploration programs at the Four Eagles and Tandarra Gold projects in Victoria and the then-newly acquired Henty Gold Mine in Tasmania, as well as for general working capital requirements.

On August 27, 2021, Catalyst announced that Mr. McKinstry would commence with Catalyst as General Manager Technical Services and Development. On the same day, Mr. Bruce Roberson stepped down as the CEO of Catalyst, for personal reasons.

On October 4, 2021, Catalyst announced that Mr. McKinstry would assume the role of Chief Executive Officer. On October 8, 2021, Catalyst announced that Mr. Champion de Crespigny would join the Catalyst Board as a non-executive director of Catalyst and that Mr. Schwab would be retiring from the board at the next annual general meeting of Catalyst. On November 12, 2021, Mr. Champion de Crespigny formally joined the Catalyst Board, and in addition to his directorship, commenced providing consultancy services for Catalyst.

On August 15, 2022, Catalyst announced that St Barbara Ltd. had withdrawn from the Drummartin Joint Venture, an exploration tenement north of Bendigo, Victoria. Catalyst retained all data from the joint venture and subsequently owned 100% of the project.

On September 27, 2022, Catalyst announced a Mineral Resource upgrade at the Henty Gold Mine. The revised Mineral Resource was 2.6 million tonnes at 4.3g/t Au for 368,000oz of gold. This represented an increase of 10% on the previous year, after accounting for production depletion.

On October 13, 2022, Catalyst appointed Mr. Champion de Crespigny as Managing Director and Chief Executive Officer of Catalyst.

On November 10, 2022, Catalyst announced its maiden reserve for Henty Ore Reserve is 983,000t at 3.6g/t for 115,000oz Au. The Mineral Reserve was sufficient to support a five-year mine life.

On November 17, 2022, Catalyst advised that it has taken an important step in its strategy to find the extension of the historic Bendigo Goldfield by starting the approvals process for a proposed exploration tunnel at the Four Eagles Gold Project in Victoria. Catalyst, as operators of the Four Eagles Joint Venture, lodged the work plan application with Earth Resources Regulation ("ERR"). The work plan proposed a 3.6km long exploration tunnel running 140m below the surface, and located between Hayanmi and Boyd's Dam Prospects.

On November 17, 2022, all resolutions were passed at the annual general meeting, including the re-election of Mr. Kay as director, the approval of the issuance of 2,500,000 performance rights to Mr. Champion de Crespigny and the approval for Catalyst to issue up to that number of equity securities equal to 10% of the issued capital at the time of issue. This resolution provided 10% issuance capacity, in addition to the existing 15% permitted under the ASX listing rules.

On January 10, 2023, Catalyst announced a recommended bid to acquire Vango, the holder of the Marymia Gold Project. The recommended off-market takeover bid provided for shareholders of Vango to receive five Catalyst Shares for every 115 Vango ordinary shares, valuing Vango at A\$66 million. Upon completion, Vango shareholders were expected to own 35.7% of the enlarged Catalyst Group. The offer was subject to a 70% minimum acceptance condition. In the same announcement, Catalyst indicated it was in commercial discussion with Superior. Collins Street Value Fund ("Collins Street"), holder of A\$9.075 million in convertible notes in Vango, indicated their support for the transaction and agreed to roll over their convertible note into Catalyst should Catalyst be successful in acquiring 100% of Vango Shares. On February 9, 2023, four weeks after initiating its bid for Vango, Catalyst announced that it had received 71.4% acceptances from Vango shareholders, and therefore met the minimum acceptance condition for the off-market takeover bid for Vango. On February 21, 2023, having acquired 90.5% of Vango shares, Catalyst announced that it would be compulsorily acquiring the remaining shares in Vango.

On February 23, 2023, Catalyst announced that it has entered into a definitive agreement (the Arrangement Agreement), pursuant to which Catalyst would acquire all of the issued and outstanding Common Shares pursuant to the Arrangement.

On February 24, 2023, Catalyst announced that all of the conditions for the off-market takeover bid for Vango had been met, and that the offer was declared unconditional.

On February 28, 2023, Catalyst shareholders ratified the issue of a convertible note to Collins Street in consideration for Collins Street agreeing to redeem the Vango convertible note for nil cash consideration. The face value of the note to be issued was A\$9.075 million with a maturity date of March 31, 2024. The conversion price of the note is A\$1.47 representing a 20% premium to the 30-day volume weighted average price of Catalyst's shares prior to the date of Vango takeover announcement (being January 10, 2023). Based on the conversion price, Catalyst will be obliged to issue 6,163,407 Catalyst Shares to Collins Street if converted. An additional A\$2.5 million is available to Catalyst to draw down on the same terms.

On March 17, 2023, Catalyst announced the completion of the issuance of 21,450,000 Catalyst Shares at a subscription price of A\$1.00 per share. The placement of shares was cornerstoned by Hancock Prospecting, international institutional investors and was supported by major shareholders of Superior Gold and former directors and the largest shareholder of Vango Mining. The placement satisfied a condition of the proposed acquisition of Superior. Argonaut Securities Pty Ltd, Canaccord Genuity (Australia) Limited and Morgans Corporate Limited acted as joint lead managers and Ord Minnett Pty Ltd acted as co-manager to the placement, and collectively received fees of A\$1.1 million. Following the placement, the conversion price for the convertible note held with Collins Street reverted to A\$1.20, rather than the A\$1.47 provided for under the term sheet.

On March 21, 2023, Catalyst announced that it had completed the takeover of Vango. The completion of the transaction resulted in Vango becoming a wholly owned subsidiary of Catalyst.

On April 20, 2023, Catalyst and Billabong announced that the Supreme Court of Western Australia had overturned a prior ruling and confirmed that Dampier is to offer Billabong the right to purchase a 40% interest in the now Catalyst-beneficially held Marymia Tenements.

Mineral Projects

This section contains a summary of the material mineral properties and projects of Catalyst, as at the date of this Information Circular.

Concurrent with this Company Circular, Superior filed: (i) a technical report for the Henty Gold Operations entitled "*Henty Gold Mine, Tasmania, Australia, Technical Report*" dated April 30, 2023 (with an effective date of April 30, 2023) (the "**Henty Gold Mine Technical Report**") prepared for Catalyst by CSA Global; (ii) a technical report for the Marymia Gold Project entitled "*Vango Mining Technical Report*" (with an effective date of December 31, 2022) (the "**Marymia Technical Report**") prepared for Catalyst by Jeremy Clark and Spero Carras; and (iii) a technical report for the Whitelaw Gold Belt entitled "*Bendigo Project, Victoria, Australia, Technical Report*" (with an effective date of April 30, 2023) (the "**Bendigo Gold Project Technical Report**") prepared for Catalyst by CSA Global. In connection with the Arrangement, the Henty Gold Mine Technical Report, the Marymia Technical Report and the Bendigo Gold Project Technical Report have been filed with Canadian securities regulatory authorities, in accordance with NI 43-101, and is available for review under the Company's profile on SEDAR at www.sedar.com.

Unless stated otherwise, the information in this section is based upon and derived from disclosure contained elsewhere in the Henty Gold Mine Technical Report, the Marymia Technical Report and the Bendigo Gold Project Technical Report, and defined terms used in this section have the meanings ascribed to them in the Henty Gold Mine Technical Report, the Marymia Technical Report and the Bendigo Gold Project Technical Report, as applicable. Portions of the following information are based on assumptions, qualifications and procedures which are not fully-described herein.

The Henty Gold Mine Technical Report, the Marymia Technical Report and the Bendigo Gold Project Technical Report are each subject to certain assumptions, qualifications and procedures described therein. Reference should be made to the full text of each such technical report, which is available for review under the Company's profile on SEDAR at www.sedar.com.

Scientific and technical information in this Appendix "I" to the Company Circular has been reviewed and approved by Jeremy Clark and Spero Carras, each of whom is a "qualified person" within the meaning of NI 43-101. Mr. Clark and Dr. Carras are each independent of Catalyst and the Company.

Henty Gold Operations

Henty is located in northwest Tasmania. Henty commenced operations in 1996 and has since produced approximately 1.4 million ounces of gold at mined grade of approximately 9 g/t. The project also includes a strategic underexplored tenement package with 25 kilometres of strike along the Henty fault. Catalyst acquired Henty in January 2021.

Operations consist of an underground mine accessed via a decline. Primary mining methods are long hole bench stoping, traverse open stoping and cut and fill stoping, Henty is an owner-operated operation utilising a local and regional drive-in and drive-out workforce.

Processing is via conventional carbon-in-leach ("CIL") processing plant with capacity to treat up to 300,000tpa. Processing achieves high grade recoveries (generally +90%) and produces a high-quality gold doré.

Since acquisition, Catalyst has been pursuing a strategy to increase mining inventory to support higher gold production and lower costs. Catalyst has invested heavily in exploration to replenish and expand JORC Resources and delineate a maiden JORC Ore Reserve to underpin a mine life beyond five years.

In FY22, production was approximately 25,000 ounces at all-in-sustaining-cost of approximately A\$2,200 per ounce. Catalyst is targeting an annualised gold production rate of 35,000oz by the end of FY23.

Property Description and Ownership

The Henty Gold Mine is located in western Tasmania, Australia. Mineral tenure on the Project consists of three mining leases (7M/1991, 5M/2002, 7M/2006) covering 2,102 hectares ("ha") and two exploration licences (EL8/2009, EL28/2001) covering a total of 61 km². Catalyst (as Unity Mining Ltd) has a 100% interest in all Exploration and Mining leases.

The underground mine is approximately 6.5km in length and, at its deepest point, is approximately 900m from the surface.

Project History

Mineralization at the site was known since at least the late 1960s and was recognized to be potentially economic in the early 1980s. The Henty Mine has been in operation since 1996. Approximately 1.4 million ounces have been produced since the operation commenced.

The mine was initially owned by RGC, who transferred it to Goldfields prior to its merger with Delta Gold to become Aurion Gold in 2001. Placer Dome acquired Aurion Gold in 2003 and operated the mine until 2006. Barrick Gold Corporation ("Barrick") completed a takeover of Placer Dome in 2006. Unity Mining (formerly known as Bendigo Mining) acquired Henty from Barrick in 2009. Diversified Minerals ("DVM"), a wholly owned subsidiary of Pybar, acquired the asset from Unity Mining in 2016. Catalyst subsequently acquired 100% of the Henty Gold Mine and regional exploration tenements from Pybar in January 2021, and currently operates the mine as the entity Henty Gold Pty Ltd.

Previous Mineral Resource Estimates ("historical estimates") were completed for the Project by CSA Global for DVM in September 2020 and for Catalyst in September 2021 in accordance with the Australasian JORC Code (2012).

Geological Setting and Mineralization

The Henty deposit lies within western Tasmania's Mount Read Volcanic ("MRV") Belt. The MRV Belt hosts several world-class polymetallic deposits including the Hellyer, Que River, Rosebery, Hercules and Mount Lyell deposits. The main mineralised belt of the MRV, between Mount Darwin and Hellyer is the Central Volcanic Complex ("CVC"). The CVC is dominated by proximal volcanic rocks (rhyolite and dacite flows, domes and cryptodomes and massive pumice breccias), andesite and rare basalt (lavas, hyaloclastites, and intrusive rocks) deposited in a marine environment.

Mineralisation in the Henty area is constrained to the top of the CVC and in places in the overlying Tyndall Group rocks. The Henty Fault is a major structure running NE-SW. Mineralisation occurs in the form of pyrite, chalcopyrite, galena, sphalerite, and minor tellurides. High gold grades are associated with intense silicification.

Henty is a narrow vein deposit and the mineralised zones of interest occur at depth in fresh rock. The mineralisation generally strikes N-S and has been divided into 12 mining areas. The mineralisation consists of a series of small high-grade lenses of gold mineralisation hosted in quartz-sericite altered volcanoclastic and volcanic rocks that occupy a large sub-vertical quartz-sericite alteration shear zone. Gold is present as both free gold and as gold-rich electrum associated with chalcopyrite and galena in the main mineralised zone. The mineralisation has a shallow plunge to the south.

Exploration and Drilling

The Project area has had a reasonable level of historical exploration including airborne electromagnetics ("EM") and radiometrics, ground EM and induced polarization ("IP"), and borehole EM surveys, as well as a variety of surface geochemistry techniques.

The Henty database includes data collected by historical and current diamond drilling ("DD"), channel sampling, and sludge sampling programs. Details relating to drilling techniques and quality assurance and quality control ("QAQC") results for data gathered prior to 2009 are largely unavailable. For drilling carried out at Henty since 2009 by Unity Mining, a reasonable (although partially incomplete) level of information is typically available describing data collection procedures and relevant QAQC.

A reasonably high level of confidence can be placed in the location of data points. While the location of historical drilling data points is subject to greater uncertainty, the positions of these drill holes are still considered relatively accurate.

Although sample collection, sample preparation, sample logging and analytical techniques have varied over the Project's history, all techniques used industry standards at the time. The amount of QAQC data that was collected has also varied over the Project's history but overall is considered acceptable.

Sampling, Analysis and Data Verification

Sampling information relating to the historical drilling programs is largely incomplete. However, the information provided indicates that sampling techniques and sample preparation were broadly similar to modern drilling programs on the Project. QAQC protocols were employed, in some form, for the analytical data gathered during this period.

During modern drilling, whole core or half core from underground is submitted for laboratory analysis. In areas where infill drilling is required, entire whole core samples may be submitted, given that other nearby holes are available with half core for future reference and archival purposes. Sample recovery is recorded for DD core samples as part of geotechnical logging.

The core is cut with an automatic core saw, and samples are taken at 0.2-1.2m intervals honouring lithological boundaries. Samples are placed in calico bags and then into polyweave bags. Certified reference materials ("CRMs") and blank material are inserted in the sample stream to monitor analytical bias and carry-over contamination, respectively.

For underground workings, channel sampling is carried out at grade height (~1.5m). A duplicate sample is taken on all faces to monitor sample precision. Samples are taken at 0.20-1.2m intervals and honour geological boundaries. CRMs and blank material are inserted in the sample.

Channel samples are initially placed in an oven on site after the geologist returns from underground. The primary independent assay laboratory for submission of all samples is ALS (Burnie) in Tasmania. ALS is independent of Catalyst and is an ISO-certified assay laboratory.

Typically fire assay with determination by atomic absorption spectrometry ("AAS") has been used.

Recent drilling program samples including Catalyst samples are submitted to ALS Burnie for gold analysis. Samples are crushed and pulverised before selecting a 30g subsample for fire assay with determination by AAS.

Occasionally, bismuth, silver, copper, lead, zinc, arsenic and molybdenum analyses are completed to assist with understanding the nature of the mineralisation and for metallurgical assessment. If required, pulps are sent from Burnie to ALS Townsville for multi-element determination.

QA/QC

During modern drilling including Catalyst drilling programs, field blanks are inserted at a rate of one blank for every 30 samples submitted. CRMs are included at a rate of two for every 30 core samples submitted and two CRMs for every batch of channel/sludge samples submitted. Commercially available CRMs covering ranges considered as representing low, moderate and high values for gold were obtained from ORE Pty Ltd. ("OREAS") for use in assessing analytical accuracy. A total of 20 different CRMs have been incorporated into the recent drilling data. The blanks are composed of barren basalt material obtained from a commercial distributor in Devonport on the north coast of Tasmania.

Including field duplicates for core samples are not routinely carried out, and regular insertion rates are not specified. For channel samples of underground development faces, a duplicate interval is taken and submitted for analysis for each heading sampled, with final results averaged across the two samples submitted for each interval. The inclusion of regular laboratory pulp duplicates or regular pulverisation checks is not specified. Although not explicitly stated in the available documentation, assay laboratory internal QA/QC protocols and pulverisation are relied upon to analyse pulp duplicates.

Returned analytical results are validated by a Catalyst geologist as they are loaded into the onsite Datashed database.

Mineral Processing and Metallurgical Testing

In the 27 years of operation since the commencement of production in 1996, the crushing, grinding and CIL circuit have been utilised and progressively upgraded to process up to 300ktpa of ore, and achieving gold recoveries of approximately 94%, resulting in the production of gold dore, which is then sent to ABC Refinery in Marrickville, Sydney to produce gold bars.

The Henty mine consists of three main mineralization zones based on the alteration assemblage of minerals as follows:

- MV – Sulphide-poor, quartz+sericite alteration facies is distinguished by pale green sericite concentrated in cleavage planes that envelop domains of intense silicification. The boundaries between sulphide-rich domains ("MZ") and MV domains are typically very sharp. MV contains minor chalcopyrite and galena as small coarse-grained concentrations in siliceous domains, with sparse sphalerite and pyrite. Purple fluorite occurs in places.
- MQ – High gold grades are most commonly hosted in intense silicification alteration facies. The style alteration is generally 5–50m stratigraphically below the base of the Lynchford Tuff and generally shows a close spatial association with MV alteration. Boundaries between MV and MQ altered rocks are sharp. The MQ has been repeatedly fractured and annealed, with multiple generations of fine veinlets of quartz, sulphide and calcite, in contrast to the adjacent sericite-rich MV, which behaved in a ductile manner during deformation. The distinguishing feature of the MQ is that all feldspars and sheet silicates are replaced by quartz. Late irregular fractures within the MQ contain free gold, together with pyrite, chalcopyrite, galena, minor tellurides and bismuth sulpho-salts.
- MZ - Within the footwall of the massive pyrite horizon, the host rocks are altered to a quartz+sericite+pyrite assemblage with disseminated base metal sulphides. This assemblage commonly has an apparent fragmental texture and is best developed in coarse volcanoclastic rocks. Sulphide content is relatively high, averaging

~5%, with typically 0.1–1ppm Au. The appearance of base metal sulphides is usually a visual indicator of anomalous gold grades.

Mineral Resource Estimates

The Henty deposit comprises twelve individual model areas, and seven model areas have been updated in the current MRE (Darwin North, Darwin South, Intermediate Zone, Mount Julia, Sill Zone, Zone 15, and Zone 96). Four areas, Darwin Central, Newton Zone, Tear Away Zone and Read Zone, were not required to be updated as part of the current MRE, but they were reported at a new cut-off grade of 1.70 g/t Au. The Tyndall Zone has not been mined in the past seven years.

The data collection techniques are largely consistent with industry good practice and suitable for preparing an MRE. Available QAQC data supports the use of the input data.

A three-dimensional (3D) block model representing the mineralisation was created for each area using Datamine software. Diamond core and underground face samples were used to interpolate gold grades into blocks using Ordinary Kriging. The block model was validated by visual checks, statistical comparisons, and swath plots to ensure that the block model was a good representation of the drill hole composite data.

The Mineral Resource is considered to have reasonable prospects for eventual economic extraction ("RPEEE"), given the access to critical infrastructure, the volume and grade of mineralisation available for mining and the RPEEE criteria applied before reporting the Mineral Resource.

The current Mineral Resource estimates have been prepared and reported in accordance with the CIM Definition Standards. The work was completed by Ms Millicent Canisius, who is a full-time employee of CSA Global and a member of the Australian Institute of Geoscientists (MAIG). Ms Canisius has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Qualified Person under NI 43-101.

The Mineral Resource is inclusive of Mineral Reserves (Table 1-1). No dilution or recovery factors have been applied to the Mineral Resource estimates as these modifying factors are applied to the Mineral Reserve. The Mineral Resource reported below has a cut-off grade of 1.70 g/t Au. The adopted cut-off grade is consistent with the current variable cost of underground mining.

Table: MRE by resource classification (as of June 30, 2022).

Resource Classification	Tonnage (Mt)	Au Grade (g/t)	Contained Ounces (koz)
Measured	-	-	-
Indicated	1.8	4.5	257
Measured and Indicated	1.8	4.5	257
Inferred	0.9	4.0	111

Note:

1. Mineral resources that are not mineral reserves do not have demonstrated economic variability.
2. Due to the effect of rounding, totals may not represent the sum of all components.
3. Tonnages are rounded to the nearest 0.1 million tonnes, ounces are rounded to the nearest 1,000 ounces, grades are shown to two significant figures.
4. Reporting criteria are: Indicated and Inferred material (RESCAT=2 or RESCAT=3), Au >1.70 g/t (AU>1.70), unsterilised (STERIL=0) with RPEEE (RPEEE=1).

Mineral Reserve Estimate

The Henty Mineral Reserve Estimate has been reported below (Table 1-2) in accordance with CIM definition standards and are reported as at June 30, 2022. The Mineral Reserve Estimate was prepared and reported by Catalysts Metals Limited.

The 2022 Mineral Reserve Estimate has been derived from the Mineral Resource models using mineralized material classified in the Indicated Mineral resource category only.

Table: Henty Mineral Reserve as of June 30, 2022.

Reserve Category	Tonnes (kt)	Au Grade (g/t)	Contained Ounces (koz)
Probable	958	3.5	109
Total	958	3.5	109

Note: The Mineral Reserve utilises a 2.7g/t breakeven cut-off and 1.9 g/t incremental cut-off grade, respectively, i.e. the variable cost for mining, administration and processing. The mineral reserve is based on the same AUD2,600/oz gold price as the MRE. Tonnage estimates have been rounded to the nearest 1,000 tonnes.

Development and Operations

The Henty Mine uses bench, and flatback mining as the principle means of ore extraction. A modified Avoca mining method has been successfully used in selected places where development allows. The mining method selection is based on the following:

- width and grade of the ore;
- regularity along strike and up dip;
- proximity to the Henty Fault zone; and
- general ground conditions.

Each orebody has unique characteristics. Where conditions permit, benching provides the most cost-effective method of extraction. Where the ore value is high, but ground conditions are critical to minimising dilution, flatback mining is preferred.

In bench stoping, heights are limited to 12-15m. Where it is economical to do so, development is completed top and bottom. The choice of up hole or downhole drilling is based on the geometry of the ore. Extraction is bottom up.

In general, the mining areas in the lower section of the mine are wider with more modest grades and are spatially removed from the Henty Fault. Conversely, the upper areas of the mine tend to be higher grade, narrow and occasionally interact with the Henty Fault.

For the modified Avoca style bench stoping, waste rock is tipped over the advancing ore face until the void is filled. If the strike of the ore is longer than the maximum allowable stope length, the placed waste is dug out to create a sufficient void to blast the following ore rings. The next ore firing is blasted against the remaining waste causing mixing of ore and rockfill. The dilution is considered in the stoping and recovery factors applied to the stoping tonnes.

Production drilling uses a long hole drill rig equipped with a Minnovare Production Optimiser system for drill hole accuracy. Blasting is carried out using ANFO and electronic detonators.

Bench stoping has been split between narrow mining, where the ore is less than 2.5m wide, and normal benching, where the ore is greater than 2.5m wide.

Environment, Permitting and Closure

The Henty Gold Mine has an approved Mine Closure Plan ("MCP") which satisfies the requirements of Condition DC3(I) of Permit N. 3562 of the Environment Protection Notice 378/5 as issued under the *Environmental Management and pollution Control Act*, 1994. The document has been prepared based upon information available from site studies and investigations plus legislative and policy needs.

The MCP provides the overarching framework for closure of the mine and is supported by plans procedures and reports, including the Environmental Management Plan and the Annual Environmental Management Report. The MCP is renewed every three years and is due for renewal in 2023.

The site operations disturbance area is approximately 72.5 Ha which is around 3.6% of the total lease area. The site is covered by a A\$3 million cash-backed bond.

The Henty Mine has continued to operate under required environmental approvals and mining lease permits (5M/2002, 7M/2006, 7M/1991), exploration licences (EL28/2009, EL28/2001), and the Environment Protection Notice (the EPN) 378/5.

Bendigo Exploration

Property Description and Ownership

The Bendigo Project is located in north-central Victoria in southeastern Australia and is comprised of eight principal properties: (1) Boort, (2) Four Eagles, (3) Tandarra, (4) Raydarra, (5) Sebastian, (6) Drummartin, (7) Macorna, and (8) Golden Camel. The Project incorporates 10 exploration licences and two retention licences covering the significant gold mineralization identified at Four Eagles and Tandarra.

The Boort Project is accessed from Bendigo via the Loddon Valley Highway. The Four Eagles, Tandarra, Raydarra, Sebastian, and Macorna projects are accessed from Bendigo via the Bendigo-Pyramid Road. The Drummartin project is accessed from Bendigo via the Bendigo-Pyramid Road and the Echuca-Mitiamo Road. Access to the various sites within these properties is possible along sealed and unsealed tracks and roads.

Mineral Processing and Metallurgical Testing

During advanced exploration, metallurgical test samples have been collected and analysed for processing properties. These samples are taken from excess RC drillhole material (after assay sample splitting has been completed) and are composited to make a representative sample of the mineralisation. The metallurgical laboratory has processed several such samples representing the mineralisation at Boyd's Dam, Hayanmi, and Tomorrow, and performed a range of tests that assist in characterising the ore in terms of the required processing route for ultimate gold production. Over the course of exploration in Victoria, three metallurgical samples were collected and analysed for Hayanmi, Boyd's Dam, and Tomorrow. In 2016, a sample was selected from a mineralised drillhole intersection from Hayanmi. The sample reported a gravity recovery of 29% of the total gold of the sample. Leach performance of the sample demonstrated a recovery in a range between 84.2% and 97%. This range is due to the erratic distribution of gold and with this the variability of grade in small sub samples. In 2017, a sample was selected from the Tomorrow deposit, and analysis demonstrated a gravity recovery of 65.6% and an overall leached recovery of 98.5%. In 2021, a sample from Boyd's Dam was analysed for gravity concentration, showing a recovery of 66%, floatation recovery showing 89%, and an overall leached recovery of 97.9%.

Four Eagles

The Four Eagles Project currently comprises Exploration Licences ("EL") 5295 and Retention Licence ("RL") 006422, and due to joint reporting and geographical proximity is referred to in this report as the tenement group also including EL006859 (known as Mologa) and EL5508 (known as Macorna).

In January 2011, Catalyst and its wholly owned subsidiary Kite Gold Pty Ltd entered into a Heads of Agreement with Providence Gold & Minerals Pty Ltd to farm into the Four Eagles gold project. The farm-in agreement covered former EL4525 (now RL006422) and EL5295. A further licence EL5508 was granted in June 2014 and included in the project area.

In March 2015, Catalyst and Providence reached an agreement with Gold Exploration Victoria Pty Ltd ("GEV"), a wholly owned subsidiary of Hancock Prospecting Pty Ltd, for GEV to sole fund up to 50% of the project. It is a non-incorporated joint venture with Catalyst maintaining 50% equity in the project and remaining as manager. GEV have

taken the earn-in rights of Providence and have completed the second stage of the farm-in agreement earning a 50% interest by spending a total of \$4.2 million on the project since March 2015. Providence have reverted to a 2.5% net smelter return royalty entitlement.

EL006004 was granted and amalgamated into EL5508 in 2015, increasing the tenement size from 330 to 467 graticules. Upon its second-year anniversary, 25% was partially relinquished reducing the tenement by 122 graticules, and upon its fourth-year anniversary it was further reduced by 164 graticules. On June 25, 2019, EL5508 was renewed for a further five years.

In January 2017, EL4525 was due to expire, with no further renewals granted. A mineralization Report was prepared, and a Retention Licence was granted on 29th March 2018.

In March 2019, an additional two exploration licences, EL006859 and EL006887 were granted as part of the Four Eagles JV and is jointly explored and reported with EL5295 and EL5508. In September 2019, EL006887 was amalgamated with EL006859, increasing the tenement size from 63 to 193 graticules under the lease code EL006859.

On August 31, 2020, EL5295 expired, and a further renewal was granted which will expire on August 31, 2023. On June 25, 2021, EL5508 reached its seventh-year anniversary, a variation was made to the 20% partially relinquished and instead a total of 94 graticules were relinquished from EL006859 thereby reducing the tenement size from 193 graticules to 99 graticules.

Tandarra

Catalyst, through its wholly owned subsidiary Kite Operations Pty Ltd, has earned a 51% interest in the Tandarra Gold Project by the expenditure of A\$3.0 million on exploration under an agreement entered into in September 2014 and completed in June 2018, whilst Navarre Minerals Ltd ("**Navarre**") (ASX: NVR) retains a 49% interest. Under the terms of the joint venture agreement settled in December 2018, future exploration will continue to be managed by Kite Operations Pty Ltd (CYL) and will be jointly funded by Catalyst and Navarre.

RL006660 comprising the Tandarra Gold Project was granted and registered by the Victorian Department of Economic Development, Jobs, Transport and Resources ("**DEDJTR**") on November 3, 2018. The RL has a term of 10 years for 58.96 graticular sections (5896 hectares) and provides Catalyst with security of tenure to conduct advanced drilling and assessment programmes aimed at progressing the project to resource estimation, scoping studies and possible feasibility studies and mining. The Retention Licence replaced EL4897 in its entirety.

Boort

The Boort Project EL006670 was granted to Silkfield Holdings Pty Ltd (a wholly owned subsidiary of Catalyst) on March 19, 2018. A total area of 730 graticules were granted for five years.

On October 14, 2019, Catalyst entered into a joint venture agreement with GEV, with GEV funding exploration to earn a 50% interest in the Boort tenement. Catalyst maintains 50% equity in the project and remain as manager.

In March 2020, the second-year anniversary 25% reduction was waived. In February 2022, Catalyst was granted a waiver of part cancellation for the fourth-year anniversary 35% relinquishment.

Drummartin

EL006507 was granted to Kite Operations Pty Ltd on December 22, 2017. The original granted licence was 671 graticule sections in size and the current area is 648 graticule sections. The nominated 23 graticules from this licence were partially relinquished in place of nominated graticules from EL5533 in December 2018 during its fourth-year anniversary.

In February 2020, an earn-in and joint venture agreement ("**EIJVA**") between Catalyst and St Barbara was approved. Under the EIJVA, St Barbara would acquire a 50% participating interest in the Drummartin Project by funding

exploration expenditure of A\$3.5 million within four years of the commencement date. St Barbara was obligated to spend a minimum of A\$1 million before it was entitled to withdraw from the project. This milestone was reached during the reporting period. While participating interests remained at 50:50, St Barbara was the manager of the project operations and Catalyst (via Kite Operations Pty Ltd) was operator.

In June 2022, St Barbara announced they would withdraw from participation in the JV from June 30, 2022, and the project will revert to Catalyst 100% owner/operator.

Sebastian

In January 2015, Kite Operations Pty Ltd applied for EL5533 covering the extension of the historic Sebastian goldfield, including the Frederick the Great Mine which historically had produced gold. Upon its second-year anniversary, Kite Operations Pty Ltd nominated 39 graticular sections for relinquishment, reducing the tenement to 101 graticules in May 2017. No work had been done upon the relinquished area and an exploration report was not required by the regulator. The fourth-year anniversary of EL5533 in December 2018 saw Kite Operations Pty Ltd nominate 27 graticular sections from Sebastian EL5533 and 23 graticular sections from Drummartin EL006507 for a total of 50 graticular sections from both. The seventh-year anniversary saw Kite Operations Pty Ltd nominate six graticules from EL5533 with a further 20 graticules from EL007214 and two graticules from EL5509.

On January 23, 2020, EL5533 was renewed for a further five years expiring on January 22, 2025.

Macorna

EL5521 was granted to Kite Operations Pty Ltd on October 10, 2014. The EL was 151 graticule sections in size and is effective for a term of five years. Upon its second-year anniversary, 38 graticules were selected for partial relinquishment, registered on September 20, 2016, reducing the tenement size from 151 to 113 graticular sections. Upon its fourth-year anniversary a further 53 graticules were selected for partial relinquishment reducing the tenement size from 113 to 60 graticular sections. Upon its fifth-year anniversary on October 9, 2019, the licence expired. An application for renewal was submitted and granted for a further five years. Upon reaching its seventh-year anniversary a further 31 graticules were selected for partial relinquishment reducing the tenement size from 60 to 29 graticular sections.

In October 2019, Catalyst announced a joint venture ("JV") with Gold Exploration Victoria Pty. Ltd. ("GEV"), over two Catalyst tenements in the Macorna Area (EL5521 and EL006894) conditional on Catalyst being granted a further five-year extension by the Department of Jobs, Precincts and Regions. Under the terms of the JV, GEV will pay Catalyst \$250,000 (inclusive of reimbursement for previous expenditure by Catalyst on Macorna) and spend a further \$250,000 on exploration on the tenements during a two-year period to earn its 50% interest. The JV further strengthens the relationship between GEV within the "designated area" of the Four Eagles JV that was agreed as an area of cooperation in the March 2015 farm-in agreement.

EL006894 (Tragowel) was granted to Kite Operations Pty Ltd on March 22, 2019. The licence is 53 graticule sections in size, located to the west of EL5521, and is effective for a term of five years.

In April 2020 GEV completed the formation of an expanded Macorna Project Joint Venture ("**Macorna JV**") now including licences EL006894, EL006549 and EL5521. It extends an initial Macorna JV including EL5508 as part of the Four Eagles Joint Venture between the two parties.

Raydarra

Raydarra East EL5509 was granted to Kite Operations Pty Ltd on June 25, 2014. Upon the second-year anniversary, Catalyst submitted to relinquish 13 graticules reducing the tenement by approximately 25% to 36 graticules. Upon its fourth-year anniversary, Catalyst further relinquished 18 graticules reducing the tenement to 18 graticules registered on September 17, 2018. Upon its fifth-year anniversary on June 25, 2019 the licence expired. An application for renewal was submitted and approved for a further five years.

The Raydarra tenement EL007214 was granted to Kite Operations Pty Ltd on December 17, 2020.

Golden Camel

Golden Camel exploration leases EL5449 and EL5490 were granted to Golden Camel Mining Pty Ltd on May 10, 2013 and December 16, 2013 respectively, both of which have been renewed for a second five-year term. Nomad Metals Pty Ltd (a wholly owned subsidiary of Catalyst) entered into a joint venture with Golden Camel with the minimum expenditure achieved on February 25, 2021. Catalyst is manager of the tenements with a 50.1% interest in the joint venture. EL5449 has been maintained at the granted area of 47 graticular sections with mandatory relinquishments been accommodated by EL5490 (50.1% Catalyst) and EL5448 (100% Golden Camel). Applications for renewal are submitted and pending approval by the government regulator.

A potential portal site and tunnel path for future underground exploration has been established. Project development studies undertaken so far have focused on geotechnical engineering, hydrogeology, and geochemistry.

History

Prior to Catalyst acquiring the project, there had been minimal gold exploration within the northern area of Victoria beneath the unmineralized Tertiary cover. Previous exploration in these parts was typically concentrated on mineral sands and coal within the cover sequences. Only the outcropping mineralized reefs in the Sebastian Project in the southern part of the project had seen significant work.

Catalyst is exploring beneath the Murray Basin cover sequence. Exploration for gold in Central Victoria was historically focused on outcropping mineralized quartz reef structures and as such historical exploration on the tenements is limited.

The Project contains no historical Mineral Resource Estimates.

EL5533 covers the extension of the historic Sebastian goldfield, including the Frederick the Great Reef. Total recorded historic production from Sebastian was 186,000 ounces with an average grade of around 10 g/t Au. The total vertical extent of development was only 270 metres with the major part of the production being derived from the surface to 150m (Henry, 2003). There is no other historical production on the Project.

Geological Setting and Mineralization

The Project is located in the northern part of the Bendigo Zone of the Lachlan Fold Belt. This Zone is defined as an accretionary terrane which is bound by the Avoca Fault to the west and the Mt. William Fault Zone to the east. The Palaeozoic bedrock of the Bendigo Zone consists of a thick sequence of deformed, steeply dipping and broadly N-S striking turbidites of Silurian-Ordovician age intruded by upper Devonian granites. These turbidites and their equivalents host the orogenic gold deposits of the Victorian Goldfields.

The Project tenements are situated within the Whitelaw Gold Belt. The 100km long Whitelaw Fault is considered to be extremely important in the genesis of gold deposits that have formed adjacent to the structure, including the Bendigo Goldfield, as well as the gold mineralization at Four Eagles and Tandarra.

The Project occurs where Palaeozoic host rocks are covered by the Murray Basin sediments in the north of Central Victoria. The Tertiary sediments of the Murray Basin increase in thickness to the north but are generally less than 120m deep, though deeper sections occur locally. The Murray Basin has been described as a shallow, intra-cratonic basin that in time has been filled during repeated marine incursions from the south-west. The Paleozoic bedrock consists of metasediments of the Castlemaine Group, comprising sandstones and siltstones (or shales) of a regional turbidite sequence that has been intruded by Devonian granites. The turbidite units to the south host the world class gold sequences at Bendigo – structurally controlled gold deposits associated with north south trending anticlines and faults.

Boyd's Dam is a structurally controlled array of narrow gold-bearing quartz veins, hosted in the vicinity of an anticlinal fold in an Ordovician turbidite sequence. The structure consists of a number of closely spaced west dipping reverse faults, at least one of which demonstrates a displacement of between 10 and 30 metres, which has shunted the anticline hinge up dip and to the east. The host lithology grades from siltstones through to very coarse sandstones, and dilation due to fracturing appears to be prevalent in the coarser-grained units. The shears are concordant in the west limb of the anticline and discordant in the east limb. The east limb is the host of the strongest and greatest volume of mineralisation as the discordant orientation has provided for greater fracturing. The strongest mineralisation includes elevated presence of arsenic in the form of arsenopyrite, and occasionally sphalerite and galena are present as a minor gangue. The gold is present largely as free particles in quartz at the margins of veins, some of which are up to 4mm in size. There is also a population of sub 100 micron microscopic gold in quartz, and all of which are free milling and non-refractory. There is a minor presence of gold in arsenopyrite which may well be refractory in a standard processing plant. Boyd's Dam is currently drilled to a strike length of 1km and is showing continued mineralisation to the south. Due to the geometry of these deposits, Boyd's Dam limited in profile to around 100m vertically and is not expected to be open to further depth.

As evidenced in drilling so far, the other deposits within the Catalyst tenement holdings appear similar to Boyd's Dam, sited on similar anticlines, showing similar gold in quartz mineralisation. As the other deposits identified through exploration have not been subject to the detailed drilling that has been performed on Boyd's Dam, some aspects may be different. It is possible that some deposits are the result of east-dipping shears, and some may be sited at or adjacent to synclines rather than anticlines. As these deposits are yet to be drilled comprehensively, they are all considered to be open to the north and south along strike and open at depth. Hayanmi has demonstrated mineralisation for over 2km along strike. The drilling to date at Tomorrow demonstrates a strike of some 550m and is not anticipated to show any further extensions north or south. The current mineralisation has demonstrated a depth profile of around 70m, and it is unclear if there is potential for deeper mineralisation.

The gold mineralization is commonly accompanied by pyrite, arsenopyrite, sphalerite and galena, and other accessory minerals are rare. Sericite, silica, and carbonate alteration occur with the mineralization, however further work is required to constrain the spatial and genetic relationship between these alteration phases and the gold.

Exploration and Drilling

Catalyst has employed a variety of exploration methods. Passive seismic and ground gravity are used to model the depth of the cover sequence. Ground gravity and a variety of methods for collection of magnetics data are used to model geology, especially the location of structures that may control the mineralization. Ground gravity is used to identify basement highs that potentially represent zones of silica and carbonate alteration associated with gold. Surface soil sampling treated using an ionic leach is also used to identify anomalies in the underlying bedrock. Induced polarisation ("IP") methods have been trialled on the known gold mineralization at Four Eagles and Tandarra.

Catalyst typically use air core ("AC") drilling in the early stages of exploration to test the geochemistry at the base of cover and top of bedrock. Anomalies are then followed up using reverse circulation ("RC") and diamond drilling ("DD") methods.

The DD core is logged to a 5 cm accuracy against the phi grainsize scale, weathering, quartz content, alteration, and sulphide mineralogy. The core was also structurally logged for faults, quartz type, bedding, cleavages, and hinge points.

The sampling and recovery of samples are known to be material to the quality of assay data. The sampling of drillholes takes the form of rock chips (AC and RC drilling) and drill core (DD). Rock chips are generated by drill rigs with the use of compressed air, and with depth there is a known risk of water ingress which has the potential to impose downhole contamination of sample. For this, such drilling is always conducted under the supervision of company geologists who ensure that water ingress is eliminated in every instance before drilling can proceed. If water ingress is not eliminated due to overwhelming water flow or pressure, then the geologist will either elect to proceed (noting the samples that are wet) or will terminate the drilling of that hole. Once rock chips are collected, they are reduced in size to manageable volumes, either by hand grabs (in the case of reconnaissance air core drilling), or by using a Jones riffle splitter (in the case of RC drilling). The latter is considered a standard for providing representative sub-samples, and appropriate for producing assays fit for mineral resource estimation. Air core sampling is not used for mineral

resource estimation, but serves as a cheap, first-pass exploration method of drilling. Diamond core is sub-sampled by using a diamond-impregnated rock saw, where core is halved and submitted for assay. Sample recovery is monitored during drilling. For AC and RC drilling, samples are gauged for recovery by noting samples that are substantially lighter over the regular one-metre sampling interval. If samples are recognised to be systematically low in recovery, the drilling contractor attends to the condition of equipment and attends to any adjustments required. In the case of diamond drilling, the length of drill core is measured and documented against the anticipated length of each run (which is normally three metres). When recovery of a run is less than 85%, the geologist is informed, and action is required to address the problem. Drill core recovery usually suffers when there are heavily oxidised zones or where there are friable zones such as areas of shearing. In situations where diamond core recovery is low through a target mineralised zone, the drilling contractor will perform a 'wedge' hole, set immediately above the depth of the problem, and effectively drill immediately adjacent to the problem area.

Catalyst's standard field collection, preparation, and analyses of drill chips, drill core, and soil samples align with current JORC best practice guidelines (Joint Ore Reserves Committee). Catalyst's quality assurance and quality control ("QAQC") routine is fit for purpose. Catalyst use ALS Minerals Limited ("ALS") for sample analyses. ALS is independent of Catalyst and the laboratories are ISO-certified.

Mineral Processing and Metallurgical Testing

During advanced exploration, metallurgical test samples have been collected and analysed for processing properties. These samples are taken from excess RC drillhole material (after assay sample splitting has been completed) and are composited to make a representative sample of the mineralisation. The metallurgical laboratory has processed several such samples representing the mineralisation at Boyd's Dam, Hayanmi, and Tomorrow, and performed a range of tests that assist in characterising the ore in terms of the required processing route for ultimate gold production.

Sampling, Analysis and Data Verification

For AC drilling, samples were collected at the cyclone in 1m intervals of approximately 20kg sample weight and selected samples composited to 3m intervals corresponding with drill rods. The cover sequence was collected in buckets; basement material samples were collected in individual numbered polyweave bags, and the chip trays are collected from the buckets and bags (uncomposited). The samples were composited according to a hand-grab procedure from the bulk bags into calico sample bags to a mass of <3kg. The cover sequence is understood to be unmineralized and thus not sampled for assay laboratory submission.

For RC drilling, samples were collected at the cyclone at one metre intervals within no sub-sampling. The basement material samples were collected in individual numbered polyweave bags and chip trays were collected by hand from the cyclone and bags. Laboratory samples were selected using a Jones riffle splitter into calico sample bags to a mass of >2kg (if sufficient sample is available) and <3kg. The sample bags collected at the rig were weighed prior to sample splitting. Sample weight was used to assess the splitting requirements (number of riffles required) to deliver a sub sample to the desired mass constraints. Calico bag masses are recorded by laboratory contractor. The cover sequence is understood to be un-mineralized and thus only sampled for laboratory submission immediately above the basement.

DD samples are selected by the geologist on lithology from 30cm to 100cm, where there was adequate quartz and/or sulphide/alteration development. Sampling extended at least two metres before and past the areas of interest. Core trays were then reallocated to the core cutting station along with a cutting sheet for the field assistant. Core is cut in sequence in the downhole direction, cut in half along the orientation line. In the absence of an orientation line a reference ellipse was used, such as a cleavage or bedding ellipse. Each one-metre sample interval was bagged in sequence as indicated on the cutting sheet in pre-numbered calico bags in preparation for submission. The remaining 1m length of core was replaced re-assembled into the source position of the core tray.

Certified Reference Materials ("CRMs") are inserted approximately every 20 to 30m for RC and DD holes. One CRM is inserted per AC drill hole.

Every month the QAQC is checked on CRMs and laboratory standards within all batches returned. This is done through PowerBI software (Figure 11-1). Any CRM which fails outside of the accepted two standard deviations is queried at the laboratory. Field duplicates are also monitored in PowerBI as assay batches are returned.

Environment and Permitting

Earth Resources Regulation ("ERR") requires Catalyst to conduct exploration activities in accordance with the "Code of Practice for Mineral Exploration" ERR 2014 which includes guidance for the protection of the environment and the surrounding communities. Exploration activities which do not require any clearing of native vegetation, have no impacts on cultural significant areas, do not occur within 200m of designated waterways or require significant ground disturbance are capable of being approved under "Low Impact Exploration" guidelines and can occur without a Work Plan being approved by ERR. Activities which do trigger any of these impacts can only occur with the approval of an Exploration Work Plan. Environmental rehabilitation bonds are required to be in place prior to exploration activities occurring to ensure that appropriate rehabilitation is conducted after exploration activities occurs.

Catalyst exploration activities are primarily conducted as low impact exploration tasks which do not require ERR Work Plan approval.

Mineral exploration in Victoria requires a detailed work plan which describes the nature of the activity; identifies all risks to the environment, public, and nearby land/infrastructure; a risk management plan to treat all known risks; arrangements with landowners or councils; and a description of the proposed rehabilitation of areas subject to disturbance. This requirement for a work plan is waived however should the activities not exceed a strict set of guidelines which define 'low impact exploration' in the eyes of the regulator.

The Victorian Government requires that explorers enter into formal agreements with landowners who provide explorers with access to their properties. These agreements specify an agreed rate of compensation for activity and are required to be lodged with the regulator prior to the commencement of exploration. Such agreements serve to provide assurance to the explorer that agreed areas are accessible, and that access is not withdrawn without a process being followed by the landowner.

Catalyst has increased the level of community engagement conducted over the past 18 months as drilling activities in the Boyd's Dam and Tandarra project areas has increased. This includes newspaper articles, meetings with individual landowners and neighbours and presentations at community groups and public events, including the Boort Show. In addition to this enhanced community engagement, Catalyst has formed a Community Consultative Committee ("CCC") to further communication and understanding between Catalyst and the surrounding communities. This CCC was formed in early 2022 and consists of landowners, farmers, business owners, progress association members, members of Local Government and environmental groups from across the communities where Catalyst's exploration tenements are located, Boort, Pyramid Hill, Lockington, Mitiamo and Dingee. The CCC meets six to eight times per year and covers topics relating to Catalyst's exploration activities including drilling methods, exploration techniques, geological terminology and local geological features, the exploration tunnel and potential environmental impacts and the development of local communication strategies.

Each CRM inserted into a sample series is accompanied by a sample blank. This blank is sourced from a local hardware outlet as a fine sand. This material is considered gold-free and to date has not returned an above-detection assay value. This blank is submitted to be prepared and pulverised in kind with drillhole samples as it also provides a measure of laboratory preparation contamination.

Native Title

As exploration activities primarily occurs on private land, clearance by Traditional Owners is not required, however as a matter of good practice, Catalyst has entered into a Land Use Activity Agreement with the Dja Wurrung, the Traditional Owners for the majority of Catalyst exploration tenements.

Marymia Gold Project

Property Description, Location and Access

The Marymia Gold Project ("**Marymia Project**" or "**Marymia Gold Project**") is located approximately 1,000km northeast of Perth in the Northern Goldfields of Western Australia. Located 216km northeast of the regional town of Meekatharra and 160km south of Newman, the Marymia Project consists of 45 granted Mining Tenements and 11 exploration and land use permits covering an area of 400 sq.km. The Marymia Project is located to the northeast and adjacent to the of the Plutonic Gold Operations.

In addition to the Marymia Project, Vango currently has seven tenements covering 340 sq.km known as the Ned's Creek Joint Venture Project, which are under a joint venture with Lodestar Minerals Ltd. Ned's Creek is located 25km to the south of Marymia with Vango currently earning into 51% with the spend of AUD\$4.5 million.

The Marymia Project is accessible from Perth via the Great Northern Highway via sealed roads from Meekatharra and Newman, followed by unsealed for approximately 50km. Access between the tenements and known deposits is via high-quality unsealed historical haul roads and station tracks. An airstrip is located within the Marymia Project is suitable for light aircraft while the adjacent Plutonic mine allows larger aircraft, as well as the nearby Degussa Copper mine operated by Sandfire Resources which is a tarred airstrip.

Royalties are payable to the Government of Western Australian of 2.5% of the value of all gold metal produced in the relevant quarter from the Marymia Project above 2,500 ounces.

History

The Marymia Project formed part of the Plutonic Gold Operations tenements until August 2010 (see Appendix "H") and a brief ownership history from August 2010 is as follows:

- Barrick Gold Corp. divested much of the Marymia Project's tenement holding in August 2010 which was purchased by Dampier Gold including the K2 deposit and the Trident Deposit.
- In November 2013 Dampier Gold formed a Joint Venture/Farm In Agreement with Ord River Resources ("**ORD**"), with ORD subsequently being renamed Vango in 2014.
- The remaining portion of the Marymia Project was acquired by Vango from Dampier in 2016.
- During 2023, Catalyst acquired Vango Mining Limited
- Through various agreements between 2016 and 2020, the ownership of the K2 deposit today is as follows: Catalyst, via its subsidiaries, held a 96.4% interest, ASX listed company Zuleika Gold Limited held a 4.1% interest. Superior Gold had the option to earn up to 50% interest in K2 by contributing A\$3.0 million to the development of K2 Tenements as agreed by a committee consisting of equal numbers of Vango and Billabong representatives with each party entitled to one vote. Parties will then need to negotiate a Mining Agreement.

Geological Setting, Mineralization and Deposit Types

The Marymia Project area covers the northeast-southwest trending Plutonic (Marymia) Greenstone Belt, occurring in the central portion of the Marymia Inlier. The Belt is interpreted as a regional-scale fold-thrust belt. The generalised stratigraphic column of the Plutonic Greenstone Belt consists of a mafic-ultramafic-BIF dominated sequence at the base, passing into mafic-dominated and finally clastic sediments at the top.

Rocks of the Marymia Inlier consist mainly of granite and gneiss with enclaves of meta-greenstone (including mafic and ultramafic igneous rocks, BIF and sedimentary rock precursors) metamorphosed at upper amphibolite to granulite facies. The meta-greenstones may represent high-grade metamorphic equivalents of the Plutonic Greenstone Belt to the north-east. Rocks of the Peak Hill Schist area include quartz-sericite schist, quartz-muscovite schist and quartz-

muscovite-biotite-chlorite schist, which have been variously deformed and contain a range of mylonitic textures and discrete mylonitic units.

Soils typically comprise thin colluvium/alluvium over laterite (ferricrete) caprock. Based on the geotechnical investigation, sub-surface conditions of the site comprise clayey sand / sandy clay, clayey gravel, sandy clayey gravel and gravelly clayey sand extending to the maximum investigated depth of 1.1m. Open mulga woodlands occur on shallow earthy loams over hardpan on the plains, with mulga scrub and *Eremophila* shrublands on the shallow stony loams of the ranges. The Carnegie Salient to the east is characterised by extensive salt lake features supporting succulent steppes.

The Marymia Inlier is an Archaean basement remnant within the Proterozoic Capricorn Orogen comprising two mineralised greenstone belts (Plutonic Well and Baumgarten), with surrounding granite and gneissic complexes. The Capricorn Orogen is situated between the Pilbara and Yilgarn Cratons and is possibly the result of an oblique collision of the two Archaean cratons in the early Proterozoic.

The Belt extends over an 80km strike length and is up to 10km in width. The Belt is sub-divided into two volcano-sedimentary sequences, consisting of mafic and ultramafic units which are overlain by predominately felsic volcanoclastic and sedimentary rocks. These units have been subject to greenschist and amphibolite facies metamorphism, deformed by polyphase folding, shearing and faulting, and intruded by felsic porphyry and granitoid bodies. This has resulted in a strong northeast trending fabric parallel to multiple low-angle thrust faults. These thrust faults occur throughout the Belt and are intimately associated with the known gold mineralisation.

The Belt has been shaped by three major structural events — D1, north-directed, low-angle thrusting emplacing mafic and ultramafic units above sediments, followed by granite sheet intrusion and subsequent granite thrusting along the western portion of the Belt during D2. This was followed by D3 high-angle thrusting towards the southeast, open folding of earlier structures and reactivation of D2-thrusts. Gold mineralisation is thought to be associated with the earliest structural event (D1) within regional-scale thrust duplexes controlled by deep-seated east-west trending lineaments.

The area, including the historical Plutonic Gold Mine, hosts 39 known gold deposits mined throughout the history of mining across the area known as the Marymia Dome.

Gold mineralisation occurs in a large number of deposits and prospects in the Belt, with the main deposit at the Plutonic Gold Mine on the southern end. Mineralisation regularly occurs as shallow dipping, layered parallel lodes, although steep lodes and minor quartz-vein-hosted deposits also occur. Regionally within the greenstone belt, mineralised host rocks vary from amphibolites to ultramafics and banded iron formation ("BIF"). Lateritic and supergene enrichment are common throughout the Belt and have been mined locally. Biotite, arsenopyrite, and lesser pyrite/pyrrhotite are common minerals generally accepted to be associated with gold mineralisation.

Exploration

Several generations of exploration work have been completed over the Marymia Project which has been undertaken by previous owners. Work completed includes geochemical sampling, geophysical surveys, reverse circulation, and diamond drilling. These works have been completed in various amounts across the tenements, resulting in the delineation of Mineral Resources and various identification of mineralisation which are considered to have exploration upside. In addition to the definition of mineralisation, various conceptual targets have been identified as outlined.

Systematic exploration commenced in the 1990s which included geochemical sampling across both the Marymia Project area and the adjacent Plutonic Gold Mine area. This programme led to the identification of numerous gold anomalies which resulted in project-wide geophysical IP and magnetic surveys being completed.

The production history of the area has been focused on open pit mining of the oxide material and drilling has predominately focused on the nominal top 80-100m. Outside of the Mineral Resources reported in the Vango Technical Report there are a number of areas that have had open pit mining but not sufficient drilling to define Mineral Resources.

The depth to the top of saprock and fresh is often deeper than drilling across the Project and there remains excellent potential for the discovery of additional mineralisation that would be potentially amenable to both open pit and underground mining. However, given the complexity and apparent sporadic nature of higher grades within the known deposits, any deeper drilling needs to be based on acquiring a better geological and structural understanding of the local controls of the gold mineralisation.

Nine high-priority targets have been identified outside of the current Mineral Resources and known mineralised areas including Neptune, Desert Greenstone, Pluto, Spotted Harrier, Cantor, Euclid, Honeyeater, Bussard and PH2.

Drilling

Drilling on the property has been under via a number of methods and generations dating back to the 1980s. While numerous reverse air blast and aircore programs have been undertaken, the Mineral Resources reported in the Vango Technical Report are based on the diamond drilling and reverse circulation drilling methods only.

Prior to 2020, the Mineral Resource estimates were completed and initially reported in 2020 with a total of 363,258m from 4,826 holes completed across the deposits which have Mineral Resource reported. The majority of drilling prior to 2020 was completed utilising the reverse circulation drilling method (4,578 holes for 325,578), with the diamond drilling targeting the depth extensions particularly in the Trident and K2 underground resource areas (248 holes for 37,680m). The number of holes vary between deposits with the K1 and K2 deposits having a significant amount of drilling along with other mined out open pit areas.

A significant variety of drill spacings have been utilised across both the deposits and generations of drilling, however this has typically resulted in between 20m by 20m to 40m by 40m being utilised in the Mineral Resource estimates.

Between 2020 and 2022, Vango undertook several drilling campaigns across both the Mineral Resource areas and previously mined areas with limited exploration to further refine mineralisation and test depth extensions. A total of 137 holes were completed for 28,099m of drilling, the majority of which was reverse circulation drilling and were spread relatively evenly across the deposits and undefined mineralised areas.

Sampling, Analysis and Data Verification

Sampling Pre-2014

Prior to 2014, reverse circulation drilling details and QAQC information were available for Homestake and Barrick drilling and later Resolute. The reverse circulation drilling utilised a 5.5" drill bit with samples collected at the rig using a riffle splitter at 1m intervals to collect 3-5kg samples in calico bags, with the remaining sample dropped into a catchment sump.

Diamond drilling utilised PQ3, HQ3 and NQ2 core diameter. The core was halved using a diamond saw and sampled at 1 m intervals to geological contacts. The minimum core sample length was 30cm and the maximum core length was 1.2m. Broad zones of material that were deemed to be barren were not sampled. HQ3 cores drilled through the mineralised zones were quartered for assaying, density determination and metallurgical test work. Diamond drilling and sampling methods for Resolute are not known, however, the methodology for selecting sampling intervals appears consistent.

All reverse air blast drilling was sampled in 4m composites. Any 4m composite samples returning a grade greater than 0.12g/t Au were selected for re-sampling down to a 1m composite.

Sampling Pre-2002

The Plutonic Gold Mine laboratory was used as the screening laboratory for the "first pass" analysis of the samples. All samples were crushed in a jaw crusher to less than 4mm (50% passing 1mm). The sample size was reduced through a 12mm aperture 50:50 riffle splitter to approximately 800 g. This sample was then pulverised to 90% passing 75

microns using a Labtechnic ring mill to produce a 100-150g pulp sub-sample. All assays greater than 0.3g/t or located within interpreted lode structures were forwarded to an accredited Minlabs Assay Laboratory for analysis.

At Minlabs in Perth, the samples were crushed with a hammer mill to 500 microns and a 300–500g sample split was pulverized to minus 75 microns using a Labtechnics ring mill.

Sampling Post 2002

The Plutonic Mine Laboratory was used as the screening laboratory for the "first pass" screening as per the pre-2002 drilling, however, samples were further analysed at the Amdel laboratory.

At Amdel in Perth, samples of up to 4kg were pulverized in a single pass to a grind size of 90% passing 106 microns using Labtechnics MIXERMILL4000 to ensure suitable homogenisation. A representative 250g of this product was taken and used as the analytical sample.

QAQC and Data Verification

The following procedures were used at the Plutonic Gold Mine Laboratory during this period:

- a representative 150g of the prepared sample is taken and then used as the analytical sample. A 30g charge is aqua regia digested for analysis by AAS to a detection limit of 0.01 ppm Au; and
- one standard, one blank and one duplicate are submitted with each 50 sample rack for internal quality control monitoring.

The assay analysis procedures used at MinLabs pre-2002 included 10 samples then one replicate was used and if the batch contained 43 samples then four replicates were used. Information provided to RPM indicates that Quality control results were only available for the 2003 drilling, however, later reports indicate that the same protocol was used consistently until at least 2007.

The following procedures were used at Amdel:

- the 150 g pulp was analysed as the analytical sample. A 50g charge was then fire-assayed using an AAS finish to a detection limit of 0.01 ppm Au; and
- the laboratory also performed its internal quality control using standards and re-assaying techniques. With each rack of samples (different batches are not put in the same rack) one blank, two standards and between one and four replicates are used (i.e. if the batch contains only).

Standard drilling and sampling procedures practices were being utilised during all generations of drilling. The QAQC samples all showed suitable levels of precision and accuracy to ensure confidence in the sample preparation methods employed. The selective original data review and site visit observations did not identify any material issues with the data entry or digital data. The onsite data management system meets industry standards which minimizes potential 'human' data-entry errors and no systematic fundamental data entry errors or data transfer errors.

Mineral Processing and Metallurgical Testing

The majority of deposits that have Mineral Resources reported having undergone metallurgical testing at some point in the past. Some of this testing has included comminution testing, leaching testing, or a combination of both. Additionally, some deposits have been processed in the processing circuits of either the now-decommissioned and removed Marymia processing plant or the Plutonic Gold Mine processing plant.

Estimated recoveries may vary for each deposit's lithologies and the range of recoveries used by Vango for Mineral Resource estimation are as follows: Oxide ore 92-93%, Transition 92-94% and Fresh 86-92%. In sections where there

was no metallurgical test work available for that particular deposit lithology, Vango has made some standard recovery assumptions for each deposit based on its lithology.

Mineral Resource Estimates

The Mineral resource Estimate is summarised in the table below. The Mineral Resource is inclusive of Mineral Reserves. No dilution or recovery factors have been applied to the Mineral Resource estimates as these modifying factors are applied to the Mineral Reserve. The Mineral Resource reported above a cut-off grade of 1.70g/t Au. The adopted cut-off grade is consistent with the current variable cost of underground mining.

Area	Deposit	Mineralised COG Au (g/t)	Indicated			Inferred		
			Quantity (Kt)	Au (g/t)	Ounces (k)	Quantity (Kt)	Au (g/t)	Ounces (k)
Open-cut	Trident West	0.5	253	1.1	9			
	Marwest & Mars	0.5	688	2	45			
	Mareast	0.5	486	1.9	30			
	EastMareast	0.5	237	1.1	8			
	Wedgetail	0.5	185	1.7	10			
	PHB-1 (K3)	0.5	604	2	39	238	1.4	11
	K1	0.5	743	1.8	42	837	1.7	47
	Triple-P & Triple-P Sth	0.5	633	2.1	42	486	1.4	21
	Albatross & Flamingo	0.5				853	1.4	38
	Cinnamon	0.5	1,472	1.8	86	536	1.9	32
	Total OP		5,300	1.8	311	2,950	1.6	150
UG	Trident	3	945	9.4	285	645	6	125
	K2	3	197	10.6	67	177	7	40
	Triple-P & Zone-B	3				170	4.3	24
	Total UG		1,142	9.6	352	992	5.9	189
Total Mineral Resource			6,442	3.2	663	3,942	2.7	339

Notes:

1. The Statement of Estimates of Mineral Resources has been compiled under the direction of Dr.Spero Carras, who is a sub-consultant of RPM and a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity that he qualifies as a Qualified Person as defined in the CIM Standards of Disclosure.
2. All Mineral Resources figures reported in the table above represent estimates based on drilling completed up to February 23, 2023. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.
3. Mineral Resources are reported on a dry in-situ basis.
4. The Mineral Resources referred to above, have not been subject to detailed economic analysis and therefore, have not demonstrated to have actual economic viability
5. The Mineral Resources have been reported at a 100% equity stake and not factored for ownership proportions.

The open pit vs underground mineral resource areas were determined using a whittle optimisation. A pit shell was utilised to determine the potential maximum depth of potential open pit mining at a gold price of AUD\$2,800 per ounce, within which the above-mineralised lodes were utilised to report the Mineral Resource.

Mining Operations

Given the early-stage status of the Marymia Project, no onsite infrastructure is located within the tenements. While the Marymia Project was in operation from 1993 to 2006. All infrastructure associated with this operation has been removed.

Permitting and Environment

The current Marymia Project and historic operations are approved via numerous mining proposals and notices of intent. Dewatering of K2 Pit and Underground into K1 Pit and the recommencement of mining is approved via Mining Proposal 47870. There are currently no active works approvals or licences for the Project as there are no active prescribed premise activities occurring.

Commitments made in Mining Act approvals are still in force although many are not relevant to the site whilst in care and maintenance. A site-wide MCP was approved for the Project in 2017. An updated mine closure plan was submitted in 2020, however is still being assessed by DMIRS. While Mining Act approvals are currently in place for the current operation as well as other pits that have not yet been mined, proposed future operations will require further approvals under the Mining Act. Given the early-stage status of the Marymia Project or active prescribed premise activities occurring, there are currently no active native vegetation clearing permits or active works approvals or licences.

A licence to abstract groundwater is in place (GWL179204) which approves abstraction of up to 600,000kL on M52/183 and M52/233 which is where the K1 and K2 deposits are located. GWL179204 expires on August 13, 2024. An amendment to GWL179204 or a new groundwater licence is required for any groundwater abstraction not on M52/183 and M52/233.

There are currently no approvals in place under the EPBC Act. The 2017 and 2020 Mine Closure Plans ("MCPs") for the Project state that the Project is unlikely to impact any Matters of National Environmental Significance ("MNES") during operations or closure. Review of supporting information generally supports this conclusion.

The Project has never been formally assessed under Part IV of the *Environmental Protection Act* 1986 ("EP Act"). The Administrative Agreement between DMIRS and the Environmental Protection Authority ("EPA") defines criteria where DMIRS will refer mining proposals or mine closure plans to the EPA. Review of Project documentation indicates that the existing Project does not trigger any of these criteria, however this should be re-evaluated for any future operations. It is considered unlikely, based on existing information, that mining at K2 and Trident (with offsite processing) will trigger referral and assessment under Part IV of the EP Act.

Native Title

Existing Marymia Project areas are located in the Gingirana Native Title area and Project tenements and also intersect the Yugunga Native Title area. Spatial overlay of Indigenous Land Use Agreements (LGATE-067) indicates that there is no agreement in place with traditional owners.

The Project is subject to obligations under the *Aboriginal Heritage Act* (1972) with regards to the protection and avoidance of disturbance to places of importance or significance to Aboriginal people. Several Aboriginal heritage surveys have been undertaken in the Project area since 1991.

Given the number of heritage sites that occur within the Marymia Project tenements and in light of community and regulatory expectations around free, prior and informed consent, further consultation with the traditional owners and development of a cultural heritage management plan is likely to be an important component of future mining activities.

Closure

Aside from exploration work, the Marymia Project has been on care and maintenance since 2006 and a substantial amount of disturbance has been rehabilitated. The 2020 mine closure plan identifies the status of mine closure and rehabilitation and provides a closure task register. It also identified several knowledge gaps that require filing to contribute to effective mine closure and rehabilitation.

The total estimated rehabilitation cost in 2021 was A\$3.6 million.

Description of Capital Structure

Catalyst is authorized to issue an unlimited number of ordinary shares subject to shareholder approval, where required under applicable laws or the rules and policies of the ASX. As of the date of this Company Circular, there were 174,684,823 Catalyst Shares issued and outstanding. Each Catalyst Share is entitled to one vote at meetings of shareholders and carries with it equal rights with respect to dividends. Holders of Catalyst Shares have no pre-emptive rights, nor any right to convert their shares into other securities.

The further issuance of 150,000 Catalyst Shares relating to a placement of ordinary shares subscribed by directors is subject to shareholder approval.

Catalyst has an employee incentive plan under which the Company is able to issue equity incentives to employees. This incentive plan was approved by shareholders at the Annual General Meeting on November 17, 2022. As of the date of this Company Circular, Catalyst has issued 2,500,000 performance rights in relation to the incentive plan, of which the milestone criteria for 700,000 have been met. In addition, there are 250,000 options outstanding to key management personnel.

Consolidated Capitalization

In the period post December 31, 2022, shareholder's equity in Catalyst has increased as a result of the following key changes:

- the issue of 54,778,675 CYL shares as consideration to Vango Limited shareholders for the acquisition of Vango; and
- the issue of 21,450,000 shares as part of an equity capital raise via a placement.

On February 28, 2023, Catalyst Shareholders ratified the agreement to issue a convertible note to Collins Street in consideration for Collins Street agreeing to redeem the Vango Note for nil cash consideration.

Shareholders' equity comprised of:	Actual A\$
As at December 31 2022	
Share capital	73,238,523
Reserves	598,568
Accumulated Losses	(18,392,456)
Total Capitalization	55,444,635
Post Vango Acquisition as at March 31, 2023	
Share capital	165,110,914
Reserves	1,684,967
Accumulated Losses	(19,304,178)
Total Capitalization	147,441,703

Prior Sales of Subject Securities

The following table summarizes the issuances of Catalyst Shares or securities convertible into Catalyst Shares for the 12-month period preceding the date of this Company Circular.

Date of Issuance	Type of Securities	Number of securities	Issue Price, Exercise Price or Award Value per Security (A\$)
November 17, 2022	Performance Rights	2,500,000	n/a
February 24, 2023	Catalyst Shares ²	50,262,872	\$1.33
March 8, 2023	Catalyst Shares ²	1,540,209	\$1.28
March 17, 2023	Catalyst Shares ³	21,450,000	\$1.00
March 21, 2023	Catalyst Shares ²	2,975,594	\$0.98

Notes:

1. Performance rights were granted to Mr. Champion de Crespigny that vest in three tranches: i) 700,000 on a successful capital raising of A\$10 million, or annual gold production of 40,000 ounces in a rolling 12-month period, ii) 800,000 on achieving annual gold production of 80,000 ounces in a rolling 12-month period, and iii) 1,000,000 on achieving annual gold production of 100,000 ounces in a rolling 12-month period.
2. Catalyst Shares issued in connection with the acquisition of Vango.
3. Catalyst Shares issued in connection with the A\$21.45 million capital raise.
4. As part of the Vango acquisition, Catalyst entered into a binding term sheet with Collins St Value Fund whereby Catalyst agreed to issue a convertible note to Collins Street in consideration for Collins Street agreeing to redeem a Convertible Note held by Vango for nil cash consideration

Trading Price and Volume

The Catalyst Shares are listed for trading on the ASX under the symbol "CYL". The following tables set forth information relating to the trading of the Catalyst Shares on the ASX for the 12-month period preceding the date of this Company Circular, expressed in Australian dollars (A\$).

Month	High (A\$)	Low (A\$)	Volume
May 1 – May 19, 2023	1.01	0.765	697,219
April 2023	A\$1.035	A\$0.905	1,488,477
March 2023	A\$1.350	A\$0.890	1,657,275
February 2023	A\$1.490	A\$1.205	640,178
January 2023	A\$1.450	A\$1.160	856,275
December 2022	A\$1.250	A\$1.145	253,341
November 2022	A\$1.400	A\$1.035	242,657
October 2022	A\$1.380	A\$1.120	104,896
September 2022	A\$1.400	A\$1.160	232,938
August 2022	A\$1.450	A\$1.200	207,079
July 2022	A\$1.340	A\$1.110	98,020
June 2022	A\$1.650	A\$1.205	471,141
May 2022	A\$1.760	A\$1.450	400,512

The price of the Catalyst Shares at the close of business on May 23, 2023 the last trading day immediately before the date of this Company Circular, was A\$0.79.

Dividends or Capital Distributions

Catalyst has not declared or paid any cash dividends or capital distributions on the Catalyst Shares since incorporation and currently intends to retain future earnings, if any, to finance further business development. Catalyst does not intend to declare or pay any cash dividends in the foreseeable future. The declaration of dividends on Catalyst Shares remains within the discretion of the Catalyst Board and will depend on a variety of factors, including future earnings, capital requirements, operating and financial condition and a number of other factors that the Catalyst Board considers to be appropriate. There are no restrictions on the ability of Catalyst to pay dividends in the future.

Escrowed Securities

Designated Class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of Class
Catalyst Shares	3,428,572 ⁽¹⁾⁽²⁾	1.96%

Notes: (1) Issued to the vendors of the Henty Gold Mine (Diversified Minerals Pty Ltd) as part consideration for the acquisition of the Henty Gold Mine. These escrowed Catalyst Shares remain subject to a voluntary escrow for a period of three years, from the January 20, 2020 until January 20, 2024. (2) Calculated on a non-diluted basis, based on an aggregate of 174,834,823 Catalyst Shares outstanding as of the date of this Company Circular.

Ownership of Catalyst Shares

Catalyst's directors and executive officers, and their respective associates, beneficially own or exercise control or direction over, whether directly or indirectly, an aggregate of 14,999,674 Catalyst Shares, representing approximately 8.6% of the issued and outstanding Catalyst Shares as of the date of this Company Circular. Such directors and executive officers, and their respective associates, also beneficially own or exercise control or direction over, whether directly or indirectly, an aggregate of 250,000 Catalyst Options and 2,500,000 Catalyst Performance Rights which, when aggregated with the Catalyst Shares owned by such directors and officers, represent approximately 9.5% of the Catalyst Shares (on a fully diluted basis) as of the date of this Company Circular.

As of the date of the Company Circular, and to the knowledge of Catalyst's directors and officers, no person holds 10% or more of the voting rights attached to the Catalyst Shares.

Directors and Executive Officers

The following table is as of the date of the Company Circular and sets out the name, state and country of residence, positions and/or offices held with Catalyst, as well as the period during which each person has been a director and/or officer of Catalyst.

Name and Place of Residence	Position within the Company	Principal Occupation	Director and/or Officer Since	Number of Common Shares Held (Percentage Held)
STEPHEN BOSTON ⁽¹⁾ Perth, Australia	Chairman	Corporate Director	2009	5,750,727 (3.3%)
JAMES CHAMPION DE CRESPIGNY ⁽¹⁾ Perth, Australia	Managing Director and Chief Executive Officer	Managing Director and Chief Executive Officer of the Company	2021	817,279 (0.5%)
BRUCE KAY Adelaide, Australia	Director	Corporate Director	2011	2,222,169 (1.3%)
ROBIN SCRIMGEOUR ⁽¹⁾ Singapore	Director	Corporate Director	2009	5,509,499 (3.2%)

DONNA THORNTON Perth, Australia	Chief Financial Officer	Chief Financial Officer	2023	Nil (0.0%)
JOHN MCKINSTRY Brisbane, Australia	Chief Operating Officer	Chief Operating Officer	2021	Nil (0.0%)

Note: (1) Member of the audit committee of Catalyst.

ASX Listing Rule 14.4 and Clause 14.2 of the Company's Constitution require that a director (other than a Managing Director) must not hold office without re-election for more than three years and that one third of the directors in office (other than a managing director) must retire by rotation at each annual general meeting of the Company.

As at the date of this Company Circular, the directors and senior officers of Catalyst as a group beneficially owned, directly or indirectly, or exercised control or direction over, approximately 17,999,674 Catalyst Shares or 8.6% of the outstanding Catalyst Shares. The information as to Catalyst Shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Company, has been furnished by the directors and officers directly.

Principal Occupations and Other Information about the Directors and Officers

Stephen Boston – Non-Executive Chairman

Mr. Boston is the principal of a Perth based private investment group specialising in the Australian resources sector. Previously Mr. Boston worked as a stockbroker from 1984 to 1998 in Perth and Sydney. Mr. Boston holds a Bachelor of Arts from the University of Western Australia.

James Champion de Crespigny – Managing Director and Chief Executive Officer

Mr. Champion de Crespigny is a qualified Chartered Accountant with extensive experience in capital markets, financing and mergers and acquisitions, primarily in the mining sector. His past experience includes roles as a director of London based mining finance group, Cutfield Freeman & Co and with Sydney-based private equity group, EMR Capital.

Robin Scrimgeour – Non-Executive Director

Mr. Scrimgeour spent 17 years working for Credit Suisse in London, Tokyo, Hong Kong and Singapore where he specialised in providing structured hybrid financing to Asian corporates for resource sector projects and acquisitions. Previously Mr. Scrimgeour was a senior equity derivatives trader involved in the pricing of complex structured equity derivative instruments for both private and corporate clients focused in Asia. Mr. Scrimgeour holds a Bachelor of Economics with Honours from the University of Western Australia.

Bruce Kay – Non-Executive Director

Mr. Kay is a qualified geologist and former head of worldwide exploration for Newmont Mining Corporation. He is a highly experienced geologist with a resource industry career spanning more than 30 years in international exploration, mine geology, project evaluation and corporate operations. Mr. Kay retired from Newmont Mining Corporation in 2003. Based in Denver, Colorado, USA, he managed worldwide exploration for that company. Prior to this appointment Mr. Kay was group executive and managing director of exploration at Normandy Mining Limited where he was responsible for managing its global exploration program.

Donna Thornton – Chief Financial Officer

Ms. Thornton is a qualified chartered accountant with over 20 years of experience in the resources and contractor mining sectors, having most recently held the position of Group Financial Controller with ASX-listed gold miner Alkane Resources. During her time with Alkane, Ms. Thornton played a pivotal role in assisting the finance team through the development of the underground mining operations at Tomingley, demerger of the now ASX-listed

Australian Strategic Minerals Limited, multiple capital raisings and leading the Company's management and statutory reporting obligations.

John McKinstry – Chief Operating Officer

Mr. McKinstry has extensive experience in open pit mining and underground mining and development and has held senior management positions in gold and base metal mines in Australia and overseas. His previous positions included CEO of North Queensland Metals where he oversaw the acquisition and revamping of the Pajingo mine and as Managing Director of KalNorth Gold Mines. As General Manager he ran the Mt Leyshon and Pajingo gold mines in Queensland, the Midas gold mine in Nevada, USA, the Martha gold mine in New Zealand and the True North gold mine in Canada. His involvement in mining and development projects extends to Mt Isa, Kalgoorlie, Papua New Guinea, and West Africa.

Cease trade orders, bankruptcies, penalties or sanctions

Cease Trade Orders

To the knowledge of Catalyst, no director or executive officer of Catalyst (nor any personal holding corporation of any of such persons) is, as of the date of this Company Circular, or was within 10 years before the date of this Company Circular, a director, chief executive officer or chief financial officer of any corporation (including Catalyst), that:

- (a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any statutory exemptions for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days.

Bankruptcy

To the knowledge of Catalyst, no director or executive officer of Catalyst (nor any personal holding corporation of any of such persons), or shareholder holding a sufficient number of securities of Catalyst to affect materially the control of Catalyst, (i) is as of the date of this Company Circular or has been within 10 years before the date of this Company Circular, a director or executive officer of a corporation (including Catalyst) that while that person was acting in such capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has within the 10 years before the date of this Company Circular become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or shareholder.

Penalties and Sanctions

To the knowledge of Catalyst, as of the date of this Company Circular, no director or executive officer of Catalyst, or shareholder holding a sufficient number of securities of Catalyst to affect materially the control of Catalyst, has been subject to any penalties or sanctions in relation to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has had any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Conflicts of Interest

To the knowledge of Catalyst, and other than as disclosed herein, there are no known existing or potential conflicts of interest among Catalyst, its directors and executive officers, or other members of management, or of any proposed director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore, it is possible that a conflict may arise between their duties to Catalyst and their duties as a director or officer of such other companies.

The directors of Catalyst are required by law to act honestly and in good faith with a view to the best interests of Catalyst and to disclose any interests that they may have in any material contract or material transaction. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict is required to disclose his or her interest and abstain from voting on such matter. The directors and officers of Catalyst are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest in respect of Catalyst and are required to comply with such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers.

Indebtedness of Directors and Executive Officers

None of the directors, executive officers or employees of Catalyst or former directors, executive officers or employees of Catalyst has any indebtedness outstanding to Catalyst or any of its subsidiaries as of the date of this Company Circular and no indebtedness of these individuals to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Catalyst or any of its subsidiaries as of the date of this Company Circular. Additionally, no individual who is, or at any time during Catalyst's last financial year was, a director or executive officer of Catalyst, proposed nominee for election as a director of the Company or associate of any such director, executive officer or proposed nominee is, as of the date of this Company Circular, indebted to Catalyst or any of its subsidiaries or to another entity where the indebtedness to such other entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Catalyst or any of its subsidiaries, including indebtedness for security purchase or any other programs.

Executive Compensation

The following table sets out information concerning the compensation earned for the financial years ended June 30, 2021 and June 30, 2022 by the executive officers and directors of Catalyst. For the purposes of this circular, the executive officers include, the CEO, the COO and the CFO.

Name and Position	Year Ended	Salary, Consulting Fee, Retainer or Commission (\$)	STI (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
James Champion de Crespigny, CEO	2022 2021	122,672 -	- -	- -	- -	11,650 -	188,560 -
John McKinstry, Director	2022 2021	289,808 -	- -	- -	- -	20,625 -	310,433 -
Donna Thornton, CFO	2022 2021	- -	- -	- -	- -	- -	- -
Stephen Boston, Chairman	2022 2021	171,200 216,800	- -	- -	- -	17,360 20,677	188,560 237,477
Bruce Kay, Director	2022 2021	185,485 212,677	- -	- -	- -	178,642 ¹ 24,999	364,127 237,676
Robin Scrimgeour, Director	2022 2021	81,400 81,030	- -	- -	- -	- -	81,400 81,030

Notes:

1. Includes the issuance of 75,000 shares to Mr. Kay for the significant additional services provided during the Henty Gold Mine acquisition process. The shares were valued at a deemed price of \$2.03, being the closing price of the shares on the day shareholders approved the issue.

Incentive Plan Awards

As at the end of the most recently completed financial year of Catalyst ended June 30, 2022, the executive directors and officers of Catalyst did not hold any options or share based awards.

Termination and Change of Control Benefits

The remuneration and other terms of agreement for Catalyst's Executive Officers are formalized in employment contracts, as set out below.

Mr. James Champion de Crespigny, Managing Director and Chief Executive Officer has an employment agreement with Catalyst. The agreement specifies duties and obligations to be fulfilled as Managing Director & CEO and provides for an annual review of base remuneration taking into account performance. Termination of the employment agreement requires six months written notice. Upon termination, the Mr. Champion de Crespigny is entitled to receive from Catalyst all payments owed to him under the employment agreement up to and including the date of termination and any payments due to him pursuant to any relevant legislation by way of accrued annual leave and long service leave. If Catalyst terminates the agreement for any reason other than for cause Mr. Champion de Crespigny will receive 12-months salary at the time of termination along with all short term and long-term incentives that are outstanding and any unvested Performance Rights.

Upon a Change of Control Event, all unvested Performance Rights will also vest and become exercisable, with such vesting deemed to have taken place immediately prior to the effective date of the Change of Control Event, regardless of whether or not the employment, engagement or office of Mr. Champion de Crespigny is terminated or ceases in connection with the Change of Control Event.

A "Change of Control Event" occurs where:

- (a) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional with acceptances from shareholders holding at least 50% of the Shares on issue; or
- (b) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to Catalyst or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of Catalyst or its amalgamation with any other company or companies; or
- (c) any other merger, consolidation or amalgamation involving Catalyst occurs which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation; or
- (d) any Group Company (being Catalyst or a related body corporate) or Group Companies enter into agreements to sell the main business undertaking or the principal assets (whether or not in the form of shares in a Group Company) of the Group Company to a person, or a number of persons, none of which is a Group Company and those agreements become unconditional; or
- (e) the Board determines in its reasonable opinion, control of Catalyst has or is likely to change or pass to one or more persons, none of which are Group Companies.

Audit Committee

The purpose of the Audit Committee is to assist Catalyst and the Board in fulfilling its oversight responsibilities with respect to financial reporting and disclosure requirements, the implementation of risk management and internal control over financial reporting and disclosure controls and procedures and external and internal audit processes.

The Audit Committee's charter sets out its mandate and responsibilities and can be found attached as Exhibit "A" to this Appendix "I", and on Catalyst's website at www.catalystmetals.com.au.

Composition of the Audit Committee

The Audit Committee is comprised Mr. Robin Scrimgeour (Chair) and Mr. Stephen Boston. All members of the Audit Committee have been determined by the Board to be "financially literate" (as such terms are defined in NI 52-110), having the ability to understand and critically evaluate the financial statements of the Company.

Relevant Education and Experience

The relevant education and experience of Mr. Scrimgeour and Mr. Boston is outlined in "*Principal Occupations and Other Information about the Directors and Officers*" above.

Corporate Governance

Catalyst Board Independence

The Catalyst Board comprises four directors, three of whom are independent directors within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*. Generally, an independent director means a director who has no direct or indirect material relationship with Catalyst. For these purposes, "material relationship" means a relationship which could, in the view of the Catalyst Board, reasonably interfere with the exercise of a director's independent judgment.

The Catalyst Board reviews the independence of all directors on an annual basis and directors have an ongoing obligation to inform the Catalyst Board of any material changes in their circumstances or relationships which may affect the Catalyst Board's determination as to their independence. The Catalyst Board has determined that Messrs Boston, Scrimgeour and Kay are considered to be independent.

Mr. James Champion de Crespigny, Managing Director and CEO, is a non-independent director, as he is an executive of Catalyst.

The independent directors do not hold regular scheduled meetings at which non-independent directors and members of management are not in attendance. However, directors having a conflict of interest in relation to a particular item of business must absent themselves from the Catalyst Board meeting before commencement of discussion on the topic.

The Catalyst Board considers that its current composition is appropriate given the current size and stage of development of Catalyst and allows for the best utilisation of the experience and expertise of its members. A copy of the charter of the Catalyst Board is available in the corporate governance section of Catalyst's website at www.catalystmetals.com.au.

Meetings and Attendance

The following table sets out the number of meetings of the Catalyst directors held during the financial year ended June 30, 2022 and the number of meetings attended by each director.

	Board Meetings		Audit Committee Meetings	
	Number held and entitled to attend	Number Attended	Number held and entitled to attend	Number Attended
Stephen Boston	5	5	-	-
Robin Scrimgeour	5	5	-	-
Bruce Kay	5	5	-	-
James Champion de Crespigny (appointed November 12, 2021)	3	3	-	-
Gary Schwab (retired November 12, 2021)	2	1	-	-

Board of Directors

The Catalyst Board is responsible for guiding and monitoring the Catalyst on behalf of shareholders by whom they are elected and to whom they are accountable. The Catalyst Board's primary role is to participate in formulating and to approve the strategic direction of Catalyst and to oversee the Catalyst's business activities and management. Catalyst has established functions reserved for the Catalyst Board and those delegated to senior management, as set out in the charter of the Catalyst Board. Day-to-day management of Catalyst's affairs and the implementation of corporate strategies are delegated to the Managing Director & CEO.

The charter of the Catalyst Board states that the Catalyst Board is responsible for:

- (a) approving the overall strategic direction and leadership of Catalyst;
- (b) approving and monitoring management's implementation of objectives and strategies;
- (c) approving the annual strategic plan and monitoring the progress of both financial and non-financial performance;
- (d) the corporate governance of Catalyst, and
- (e) overseeing the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of Catalyst.

The Catalyst Board is responsible for the appointment and removal of the Company Secretary. The charter of the Catalyst Board sets out that the Company Secretary is accountable to the Catalyst Board on all matters relating to the proper functioning of the Board.

Each director and senior executive has an agreement in writing with Catalyst, which sets out the key terms and conditions of their appointment including their duties, rights and responsibilities. Directors have the right, in connection with their duties and responsibilities, to seek independent professional advice at the Catalyst's expense, subject to the prior written approval of the Chairman, which will not be unreasonably withheld.

Position Descriptions

Chair

Due to Catalyst's size and nature of operations, the Catalyst Board has not yet developed or adopted written position descriptions for the Chair of the Catalyst Board and for the chair of each Committee. The Catalyst Board considers the mandates and charters for the Catalyst Board and the Committees, as applicable, sufficiently set forth the responsibilities of the Catalyst Board and the Committees and correspondingly make evident the role and responsibilities of the Chair of the Catalyst Board and the chair of each of the Committees.

The Chair of the Catalyst Board is responsible for the management, development and effective performance of the Catalyst Board, and for providing leadership to the directors in carrying out their collective responsibilities to supervise the management of the business and affairs of Catalyst. The Chair is also charged with the responsibility of leading the Catalyst Board and organizing it to function in partnership with, but independently of, management of Catalyst in order to facilitate the achievement of the goals of Catalyst, including sustainable growth and maximizing shareholder value.

In particular, the Chair:

- sets all Catalyst Board meeting agendas with the Managing Director, and leads all board discussions;
- facilitates and chairs discussions among Catalyst's independent directors (if any), facilitates communication between the independent directors and Catalyst's management, and is responsible for discussing any performance issues of any director; and
- if and when necessary, acts as a spokesperson on behalf of the Catalyst Board in dealing with the press and members of the public.

A copy of the charter of the Catalyst Board is available in the corporate governance section of Catalyst's website at www.catalystmetals.com.au.

Committee Chair

The Chair of each Committee is responsible for guiding the Committee in the fulfillment of its duties and responsibilities and managing the process through which the Committee carries out such duties and responsibilities.

In fulfilling such role, each Chair of a Committee is charged with:

- providing effective leadership and overseeing all aspects of the Committee's direction and administration;
- overseeing the mandate, structure, composition, membership and activities delegated to the Committee;
- reporting the results of each Committee meeting at the next Catalyst Board meeting and ensuring that Committee minutes are available to each director;
- setting the agenda for Committee meetings in consultation with the Catalyst Board, other Committee members, the Managing Director and the appropriate members of management;
- communicating with appropriate members of management in fulfilling the mandate of the Committee;
- ensuring that Committee members are receiving written information and are exposed to presentations from management consistent with fulfilling the mandate of the Committee;
- allotting sufficient time during Committee meetings to fully discuss agenda items of relevance and importance to directors; and

- retaining expert consultants on behalf of the Committee, as needed.

The only committee established by the Catalyst Board is the Audit Committee. Matters determined by the committee are submitted to the full Catalyst Board as recommendations for Catalyst's Board's consideration. Membership of the Audit Committee is comprised of two non-executive directors, Mr. Champion de Crespigny and Mr. Scrimgeour (Chairman). Details of the qualifications of committee members and attendance at Audit Committee meetings are set out in the directors' report section of the 2022 annual report of Catalyst, available on Catalyst's website at www.catalystmetals.com.au.

The Audit Committee operates in accordance with a written charter. The Audit Committee oversees accounting and reporting practices and is also responsible for:

- reviewing statutory financial reports and all other financial information distributed externally;
- co-ordination and appraisal of the quality of the audits conducted by the external auditor;
- determination of the independence and effectiveness of the external auditor and assessment of whether non-audit services have the potential to impair auditor independence;
- reviewing the adequacy of the reporting and accounting controls of Catalyst; and
- maintaining procedures for verifying the integrity of any periodic corporate reports which are released to the market and which have not been audited or reviewed by an external auditor.

The current size of the Board and the stage of development of Catalyst do not warrant the establishment of separate remuneration or nomination committees. The directors as a whole are responsible for the functions normally undertaken by these committees. In circumstances where the growth or complexity of Catalyst changes, the establishment of separate committees will be reconsidered. The Board reviews all remuneration policies and practices for Catalyst, including overall strategies in relation to executive remuneration policies and compensation arrangements for any executive directors and senior management, as well as all equity-based remuneration plans. The structure for the remuneration of nonexecutive directors and any senior executives is separate and distinct.

Managing Director

The Catalyst Board considers the employment agreement with the Managing Director sufficiently sets forth the role and responsibilities of the Managing Director. The Managing Director is responsible for the overall leadership and management of the Catalyst in accordance with the strategies, policies and mandates established by the Catalyst Board from time to time, and reports to the Catalyst Board regarding the management and operations of Catalyst, including any progress and deviations from any strategic plans set by the Catalyst Board. In addition, the Catalyst Board regularly discusses corporate and individual objectives for the Managing Director to achieve, including the Managing Director's role in keeping with industry practices and corporate governance standards regarding work, health, safety, strategy and risk management.

Other Directorships

No directors of Catalyst, as of the date hereof, are directors of other issuers that are "reporting issuers" in a stock exchange, as that term is defined in and for the purposes of securities legislation.

Orientation and Continuing Education

The Catalyst Board is responsible for the program for providing adequate professional development opportunities for directors and management.

While Catalyst does not have formal orientation and training programs, new Catalyst Board members are provided with:

- (1) access to recent, publicly filed documents of Catalyst, technical reports and Catalyst's internal financial information;
- (2) access to management and technical experts and consultants;
- (3) access to Catalyst's policies and procedures including the Catalyst Board charter; and
- (4) an update by management and other directors on the strategic direction and progress of Catalyst.

Catalyst Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit Catalyst's operations. Catalyst Board members have full access to Catalyst's records.

Management provides information and education sessions to the Catalyst Board and the Committees on a continuing basis as necessary to keep the directors up-to-date with Catalyst, its business and the environment in which it operates as well as with developments in the responsibilities of directors, corporate governance, ethics and compliance.

Presentations are made to the Catalyst Board from time to time to educate and keep them informed of changes within Catalyst and of regulatory and industry requirements and standards.

Nomination of Directors and Compensation

The current size of the Catalyst Board and stage of development of Catalyst does not warrant the establishment of separate remuneration or nomination committees. The directors as a whole are responsible for the functions normally undertaken by these committees. In circumstances where the growth or complexity of Catalyst changes, the establishment of separate committees will be reconsidered. The Catalyst Board reviews all remuneration policies and practices for Catalyst, including overall strategies in relation to executive remuneration policies and compensation arrangements for any executive directors and senior management, as well as all equity-based remuneration plans. The structure for the remuneration of non-executive directors and any senior executives is separate and distinct.

One of the roles of Catalyst's Board is to monitor and review any matters of significance affecting the composition and remuneration of Catalyst's Board and the executive team.

With respect to the process by which the Catalyst Board identifies new candidates for board nomination, Catalyst's Board has responsibility for the approval and review of induction procedures for new appointees to said Board to ensure they can effectively discharge their responsibilities.

With respect to the process by which the Catalyst's Board determines the compensation for directors and management, the Catalyst Board aims to attract and retain appropriate executives and directors to run and manage Catalyst, as well as create goal congruence between directors, executives and shareholders.

When a vacancy on the Catalyst Board arises, the Catalyst Board assesses the range of skills, experience, expertise and diversity and other attributes from which the Catalyst Board would benefit and the extent to which current directors possess such attributes, before putting forward potential candidates for the position. Candidates that are proposed are assessed through interviews, meetings and background and reference checks, as appropriate.

In addition, all matters of remuneration will continue to be in accordance with the *Corporations Act* (Australia) requirement, especially with regard to related party transactions. That is, none of the directors participate in any deliberations regarding their own remuneration or related issues. Independent external advice is sought from remuneration consultants when required, however no advice has been sought during the financial year ended June 30, 2022.

The Catalyst Board has the responsibility for determining the compensation for Catalyst's directors and officers.

An objective process for determining such compensation is ensured as a result of the Catalyst's Board comprising a majority of independent directors and the Chair of the Catalyst Board being an independent director. Furthermore, the Catalyst Board compares its director remuneration to its peers via public information and through third party remuneration surveys.

All remuneration for senior executives is approved by the full Catalyst Board. To determine compensation payable, the Catalyst Board reviews compensation paid for senior management of companies of similar size and stage of development in the mineral exploration and mining industries and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by senior management while taking into account the financial and other resources of Catalyst. In setting the compensation, the Catalyst Board annually reviews the performance of the Managing Director & CEO and other members of senior management in light of Catalyst's objectives and considers other factors that may have impacted the success of Catalyst in achieving its objectives.

Assessments

The Catalyst Board, as a whole, is responsible for the arrangement of annual performance evaluations of the Catalyst Board, the committees thereof, individual directors and senior executives as appropriate. The results of the assessment process are used to continually improve the performance of the Catalyst Board, the Committees and each director.

The Catalyst Board will also consider the feedback provided on individual directors in making its recommendations with respect to Catalyst Board nominees.

In assessing a director's performance, the Catalyst Board will consider a number of factors, including the director's attendance record. While the Catalyst Board has not adopted a formal policy on attendance, if a director's attendance was low, and the Catalyst Board believed it reflected a lack of commitment, this would be a reason for the Catalyst Board to not recommend the nomination of the director to the Catalyst Board at the upcoming annual meeting.

Director Term Limits and Other Mechanisms of Board Renewal

Pursuant to Catalyst's constitution, at the Company's annual general meeting in every year, one-third of the directors for the time being, or, if their number is not a multiple of three, then the number nearest one-third (rounded downwards to the nearest whole number in case of doubt), shall retire from office, provided always that no director except a Managing Director shall hold office for a period in excess of three years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots. A retiring director is eligible for re-election. An election of directors shall take place at the annual general meeting each year.

Diversity

The Catalyst Board considers that, due to the size, nature and stage of development of Catalyst, setting measurable objectives for the Diversity Policy at this time is not practical. The Catalyst Board will consider setting measurable objectives as Catalyst increases in size and complexity.

Currently, there are no members on the Catalyst Board who are female. Catalyst has 160 full-time employees which includes 24 women, or 15%. Within this, of Catalyst 12 senior management positions, four are female, or 33.33%.

Corporate Reporting

The Chief Executive Officer and Managing Director & CEO provides a declaration to the Catalyst Board that Catalyst's external financial reports present a true and fair view of Catalyst's financial condition and operational results and that the declaration in relation to the integrity of Catalyst's external financial reports is founded on sound risk

management and internal control systems and that those systems are operating effectively in relation to financial reporting risks.

The Audit Committee oversees procedures for the preparation of periodic corporate reports, including those not subject to audit and monitors the review and approval of such reports. Material non-audited periodic reports are prepared by, or under the supervision of, subject-matter experts from senior management before being reviewed and approved by the Managing Director & CEO, Chief Financial Officer and Technical Director, as applicable and finally reviewed and authorised for release to the market by the Board. The external auditors provide an annual declaration of their independence to the Board. The current audit engagement partner has conducted the audit since June 2021 with rotation due no later than five years from that date. The performance of the external auditors is reviewed annually.

Risk Management

Catalyst does not have a separate internal audit function as the Board believes that existing internal controls and management systems provide sufficient assurance that Catalyst's risk management, governance and internal control processes are operating effectively. The Company will review this assessment on a regular basis as level of business operations continues to evolve and grow. Operational, financial, legal, compliance and strategic risks are managed as part of the day-to-day management of Catalyst's affairs with the support of relevant external professional advisers as required. No separate risk committee has been established.

The Catalyst Board is responsible for the oversight of Catalyst's risk management and control framework. Responsibility for internal control systems and risk management is delegated to the appropriate level of management within Catalyst with the Managing Director & CEO having ultimate responsibility to the Board for the risk management and control framework. The Board works closely with management to identify and manage operational, financial and compliance risks which could prevent Catalyst from achieving its objectives.

Catalyst's risk management systems are evolving and it is recognised that the systems will develop with the growth in Catalyst's activities. Internal controls are designed to manage both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial and non-financial information. The Catalyst Board reviews the risk management framework at least annually to satisfy itself that the framework continues to be sound and that the Catalyst is operating with due regard to the risk appetite set by the Board.

Catalyst undertakes mining and mineral exploration activities and recognises that there are inherent risks in conducting its business operations. Material risks associated with economic, environmental and social sustainability include operational risks, health and safety, community and environmental risks, mineral resource estimates, metal prices and exchange rate fluctuations, financing and working capital requirements, compliance and regulatory risks. Some of these risks are beyond the Catalyst's direct control and require risk mitigation strategies whilst other risks are directly within the control of Catalyst and are managed through operational and management systems and procedures.

The systems and processes implemented to manage material risks include monthly operations and financial reporting; regular reports to the Catalyst Board by management and/or independent advisers outlining the nature of particular risks and related risk mitigation measures; clearly defined management responsibilities and organisational structure; delegated limits of authority; treasury and accounting controls and reconciliations; introduction of comprehensive management reporting systems; budgeting and strategic planning processes; segregation of duties; appropriate policies and procedures that are widely disseminated to employees; development of integrated management systems; and specific health and safety policies and procedures.

Code of Conduct and Anti-Bribery and Corruption Policy

Catalyst's Code of Conduct sets out a statement of Catalyst's identity, purpose and commitment to values, including Catalyst's primary objective of maximising shareholder returns through the exploration and mining of minerals whilst acting lawfully, ethically and responsibly. The Code of Conduct applies to all directors and employees and aims to guide compliance with the legitimate interests of all stakeholders. The code aims to encourage the appropriate standards of conduct and behaviour of the directors, employees and contractors of Catalyst. All personnel are expected

to act with integrity and objectivity, striving at all times to enhance the reputation and performance of Catalyst. Material breaches of the Code must be reported to the Board.

Catalyst has established an Anti-Bribery and Corruption Policy to provide a framework for Catalyst to conduct its business activities fairly, honestly and with integrity and in compliance with all applicable laws, rules and regulations. Any material breaches under the policy are required to be reported to the Catalyst Board. The Company has a Whistleblower Policy which provides an independent mechanism for the legitimate reporting of illegal or unethical practices by company employees. Any material incidents are required to be reported to the Board. The Company's Share Trading Policy prohibits the purchase or disposal of securities by directors, senior executives and other designated persons in the period of one week prior to the release of quarterly reports and Catalyst's annual and half-year financial results. Any proposed trading to be undertaken must be notified to the Chairman, Chairman of the Audit Committee or Company Secretary in advance.

Where Catalyst grants securities under an equity-based remuneration scheme, participants are prohibited from entering into arrangements for the hedging, or otherwise limiting their exposure to risk in relation to unvested shares, options or rights issued or acquired under the scheme.

Continuous disclosure and shareholder communications

Catalyst has a formal written policy for the continuous disclosure of any price sensitive information concerning Catalyst. Material information is lodged immediately with the ASX and then disseminated by posting on Catalyst's website. Copies of any material market announcements are provided to each member of the Board promptly after release of the announcement. Any new or substantive presentations to be made to investors or analysts are firstly released to the ASX and included on the Catalyst's website.

The Catalyst Board has adopted a formal written policy covering arrangements to promote communications with shareholders and to encourage effective participation at general meetings. All substantive resolutions to be considered at shareholders meeting are decided by a poll rather than by a show of hands. Catalyst and the share registry offer mechanisms for electronic communication by shareholders, including an e-mail alert facility available through Catalyst's website. The external auditor is required to attend annual general meetings and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

All shareholders are entitled to elect to receive a printed copy of the Catalyst's annual report upon request. In addition, all market announcements, media briefings, details of shareholders' meetings, press releases and financial reports are made available on the Catalyst's website.

Risk Factors

A number of risks and uncertainties, which are both specific to Catalyst and the recent acquisition of Vango and of a more general nature, may affect the future operating and financial performance of Catalyst and the value of Catalyst Shares. There are also numerous widespread risks associated with investing in the share market generally as well as specific risks associated with Catalyst's business. These risk factors are largely beyond the control of Catalyst and its Directors because of the nature of Catalyst's business. The following summary, which is not exhaustive, represents some of the major risk factors which potential investors need to be aware of.

Funding risks and capital requirements

Catalyst's future capital requirements will depend on a number of factors including (without limitation) further acquisitions, integration costs, divestments and commodity prices. Catalyst may be required to seek additional financing (either in the form of debt or equity) and there is no guarantee that the Catalyst will be able to secure the required level of funding. Any debt financing, if available, may involve restrictions on the Catalyst's financing and operating activities, or its business strategy and additional equity financing may dilute shareholders and may be undertaken at lower prices than the current market price. No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Catalyst or at all. If the Catalyst is unable to

obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on Catalyst's operations and financial position.

In the ordinary course of operations and development, Catalyst will be required to issue financial assurances, particularly assurances and bond/bank guarantee instruments, to secure statutory and environmental performance undertakings and commercial arrangements. Catalyst's ability to provide such assurances is subject to external financial and credit market assessments and its own financial position.

Catalyst may also raise funds, including potentially during an offer period, in connection with its exploration activities, administrative and working capital needs and to fund potential acquisitions, mergers and investment opportunities.

Exploration and development risks

The business of mineral exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. There is no guarantee of development of any of Catalyst's projects, including Vango's projects. Ultimate and continuous success of activities is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable reserves;
- access to adequate capital for project development;
- design and construction of efficient development and production infrastructure within capital expenditure budgets;
- securing and maintaining title to tenements;
- obtaining regulatory consents and approvals necessary for the conduct of mineral exploration, development and production;
- securing plant and equipment, particularly given equipment utilisation rates are high in the current period of Western Australian exploration/production activity, hence competition for such equipment may also be high; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Even a combination of experience, knowledge and careful evaluation may not be able to overcome the inherent risks associated with exploring prospective tenements. There can be no assurance that exploration of the tenements (or any other tenements that may be acquired in the future), will result in the development of economically viable deposits of gold or other minerals. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of Catalyst's projects, a reduction in the cash reserves of Catalyst and possible relinquishment of part or all of its projects.

The discovery of mineral deposits including gold deposits is dependent on a number of factors, including the technical skills of the exploration personnel involved and the success of the adopted exploration plan. In addition, there can be a time lag between the commencement of drilling and, if a viable mineral deposit(s) is discovered, the commencement of commercial operations. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited due to various issues including lack of ongoing funding, adverse government policy, geological conditions, commodity prices or other technical difficulties.

These factors may affect Catalyst's ability to establish mining operations, continue with its projects, earn income from its potential future operations and may affect Catalyst's share price.

If a viable mineral deposit(s) is to be developed, Catalyst will need to apply for a range of environmental and development authorisations which may or may not be granted on satisfactory terms. The future exploration and

development activities of Catalyst may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title and Aboriginal heritage processes, obtaining government authorisations including environmental, changing government regulations and many other factors beyond the control of Catalyst. The success of Catalyst will also depend on Catalyst having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities.

Operating risk

Catalyst's assets and mining operations, as any others, will be subject to uncertainty with respect to (among other things): ore tonnes, mine grade, ground conditions, metallurgical recovery or unanticipated metallurgical issues (which may affect extraction costs), infill resource drilling, mill performance, the level of experience of the workforce, operational environment, funding for development, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment, storms, floods, bushfires or other natural disasters.

The occurrence of any of these circumstances could result in Catalyst not realising its operational or development plans, or plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on Catalyst's financial and operational performance.

Mineral Resources and Ore Reserves estimation risk

The estimation of Mineral Resources and Ore Reserves are expressions of judgement based on knowledge, experience and industry practice. The reported estimates, which were valid when originally estimated, may alter significantly when new information or techniques become available. As Catalyst obtains new information through additional drilling and analysis, and potentially other factors such as expectations of obtaining government authorisations, Ore Reserves and Mineral Resources estimates are likely to change. This may result in alterations to Catalyst's exploration, development and production plans which may, in turn, positively or negatively affect Catalyst's operations and financial position. In addition, by their very nature, Mineral Resources and Ore Reserves estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.

Whilst Catalyst intends, as at the date of this Company Circular, to undertake exploration activities with the aim of defining new Mineral Resources, no assurances can be given that exploration will result in the determination of a new resource. Even if a resource is identified, no assurance can be provided that this can be economically extracted.

Metallurgical risks

Metal and/or mineral recoveries are dependent on the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as:

- identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- developing an economic process route to produce a metal and/or concentrate; and
- changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

Payment and expenditure obligations risks

Pursuant to the licences comprising Catalyst's projects, Catalyst is subject to payment and expenditure obligations. In particular, tenement holders are required to expend the funds necessary to meet the minimum work commitments attaching to the tenements. Failure to meet these work commitments may render the tenements subject to forfeiture or result in the tenement holders being liable for penalties or fees. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of Catalyst's interest in the projects.

Potential acquisitions and associated risks

Catalyst continues to receive and be engaged in approaches from third parties in relation to potential acquisitions, mergers and investment opportunities. Catalyst has a history of such transactions in the pursuit of growth and increasing shareholder value.

The Catalyst directors presently expect acquisition and merger activity to form an increasing aspect of Catalyst's strategy to increase shareholder returns in the future. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of resource projects, including due diligence risks, execution risks (including the incurrence of potentially significant transaction costs), dilution risks (where equity is used to fund the acquisition) or credit risks (where debt is used).

Commodity price risk and exchange rate risk

Catalyst earns revenue from the sale of mineral products. In such circumstance, its revenue may be closely related to the price and arrangements it enters into for selling of its products. Product prices fluctuate and are affected by factors including the relationship between global supply and demand for gold, forward selling by producers, the cost of production and general global economic conditions.

Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand issues. These factors may have an adverse effect on Catalyst's exploration, development and production activities as well as its ability to fund those activities.

In particular, Catalyst's profitability will depend on the world market price of gold. If the market prices for gold fall below Catalyst's production costs and remain at such levels for any sustained period of time, it may not be economically feasible to commence or continue production. This would materially and adversely affect production, profitability and Catalyst's financial position. If the price of gold significantly declines, the economic prospects of the projects in which Catalyst has an interest could be significantly reduced or rendered uneconomic. There is no assurance that, even as commercial quantities of gold are produced, a profitable market will exist for them.

If Catalyst achieves exploration / development success which leads to viable mining production, its financial performance will be highly dependent on the prevailing commodity prices and exchange rates. These factors can affect the value of Catalyst's assets and may have an adverse effect on the viability of Catalyst's exploration, development and production activities, its ability to fund those activities and the value of its assets.

A decline in the market prices of gold may also require Catalyst to write down its mineral reserves and resources which would have a material and adverse effect on its earnings and profitability. Should any significant write-down in reserves and resources be required, a material write-down of Catalyst's investment in the affected mining properties and increased amortisation, reclamation and closure expenses may be required.

Liquidity risk

Liquidity risk arises from the possibility that Catalyst might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. At present, Catalyst manages this risk through the following mechanisms: preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis; monitoring the state of equity markets in conjunction with Catalyst's current and future funding requirements, with a view to appropriate capital raisings as required; managing credit risk related to financial assets; only investing surplus cash with major financial institutions; and comparing the maturity profile of current financial liabilities with the realisation profile of current financial assets.

Climate change risk

There are a number of climate-related factors that may affect the operations and proposed activities of Catalyst. As at the date of this Company Circular, the climate change risks particularly attributable to Catalyst include:

- the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. Catalyst may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact Catalyst and its profitability. While Catalyst will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that Catalyst will not be impacted by these occurrences; and
- climate change may cause certain physical and environmental risks that cannot be predicted by Catalyst, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which Catalyst operates.

Reliance on key personnel

Catalyst's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. The loss of the services of one or more of such key management personnel could have an adverse effect on Catalyst. Catalyst ability to manage its exploration and development activities, and hence its success, will depend in large part on the efforts of these individuals. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

Access and third-party interests

Catalyst may be required to obtain the consent from the holders of third-party interests which overlay areas within its tenements, prior to accessing or commencing any exploration or mining activities on the affected areas. Catalyst's existing tenements are in areas that have been the subject of exploration activities. Given the history of the areas, the Catalyst directors believe that third party risk to access the tenements is low. As part of the process of submitting a program of works for any ground disturbing activities, any underlying stakeholders will be notified, and Catalyst will work to minimise disturbance in relation to the proposed activities in accordance with applicable law. Given that the exploration activities contemplated by Catalyst are proximate to or otherwise in areas that have already been actively explored to some extent, the Catalyst directors consider the risk of any impediments with respect to underlying stakeholders to be low. However, exploration success may result in extended work programs that may require further consents.

Joint venture parties, agents and contractors

The Catalyst directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which Catalyst is or may become party to, or the insolvency or managerial failure by any of the contractors or other service providers used by Catalyst, which may adversely affect Catalyst.

Environmental liabilities risk

Catalyst's activities are subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration) is not generally available to Catalyst (or to other companies in the minerals industry) at a reasonable price. To the extent that Catalyst becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to Catalyst and could have a material adverse effect on Catalyst. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

Land rehabilitation requirements

Although variable, depending on location and the governing authority, land rehabilitation requirements are generally imposed on mineral exploration companies, in order to minimise long term effects of land disturbance. Rehabilitation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance landforms and vegetation. In order to carry out rehabilitation obligations imposed on Catalyst in connection with its mineral exploration, Catalyst will need to allocate financial resources that might otherwise be spent on further exploration and/or development programs.

Laws, regulations, rules, approvals, licences and permits

Catalyst's operations will be subject to various Federal, State and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development.

Approvals, licences and permits required to comply with such rules and regulations are subject to the discretion of the applicable government officials. No assurance can be given that Catalyst will be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation.

Native title and aboriginal heritage

The directors of Catalyst will closely monitor the potential effect of native title claims involving the tenements in which Catalyst will have an interest. If native title rights do exist, the ability of Catalyst to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. Considerable expense may be incurred in negotiating and resolving issues, including any compensation arrangements reached in settling native title claims lodged over any of the tenements held or acquired by Catalyst.

The presence of Aboriginal sacred sites and cultural heritage artefacts if present on the tenements is protected by State and Commonwealth laws. Any destruction or harming of such sites and artefacts may result in Catalyst incurring significant fines and Court injunctions, which may adversely impact on exploration and mining activities. Catalyst will review and, as required, conduct surveys before conducting work which could disturb the surface of the land. The existence of such sites may limit or preclude exploration or mining activities on those sites and delays and expenses may be experienced in obtaining clearances.

There is a risk that unregistered Aboriginal sites and objects may exist on the land the subject of Catalyst's current and future tenements, the existence of which may preclude or limit mining activities in certain areas of its tenements. Further, the disturbance of such sites and objects is likely to be an offence under the applicable legislation, exposing Catalyst to fines and other penalties.

Litigation risk

Catalyst will be exposed to possible litigation risks including native title claims, tenure disputes, disputes in relation to the interpretation of royalty agreements or other contractual entitlements, environmental claims, occupational health and safety claims and employee claims. Further, Catalyst may be involved in disputes with other parties now or in the future which may result in litigation or other forms of dispute resolution procedure. Any such claim or dispute if proven, may impact adversely on Catalyst's operations, financial performance and financial position.

Insurance coverage risk

Exploration and development operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, ground or slope failures, fires, floods, earthquakes and

other environmental occurrences, political and social instability that could result in damage to or destruction of mineral properties, personal injury or death, environmental damage, delays in exploration activities caused by industrial accidents or labour disputes, changes in regulatory environment, monetary losses and possible legal liability.

It is not always possible to obtain insurance against all such risks and Catalyst may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and development is not generally available to Catalyst or to other companies in the industry on acceptable terms. Should such liabilities arise, they could adversely affect Catalyst's financial position and result in increasing costs and a decline in the value of the Catalyst securities.

Health and safety risks

Exploration and mining activities have inherent hazards and risks. The hazardous nature of exploration and mining means that health and safety regulations impact the activities of Catalyst, particularly in respect of acquired projects that may fail to meet appropriate standards. Any injuries or accidents that occur on a site of operations of Catalyst or that occurred historically and are inherited by Catalyst could result in legal claims, potential delays or stoppages and other actions that could adversely affect Catalyst.

Following its acquisition of the Henty Gold Mine in 2021, Catalyst conducted a full site safety review and implemented appropriate changes. During 2022, Catalyst significantly invested in upgrading its work, health and safety standards in line with industry best practice. These standards establish a framework, which provides clear direction on how to enable and achieve good safety governance. They also allow Catalyst to demonstrate work, health and safety due diligence on a systematic approach to effect the management of work, health and safety throughout the organisation.

COVID-19

The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of Catalyst remains uncertain. Catalyst's Share price may be adversely affected in the short to medium term by the continued economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact Catalyst's operations and are likely to be beyond its control.

Economic risks

The operating and financial performance of Catalyst will be influenced by a variety of general economic and business conditions, including levels of consumer spending, oil prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies.

The Western Australian and Victorian mining sector is currently experiencing supply chain disruptions, inflationary cost pressures and labour availability challenges. If those conditions persist, it may have an adverse impact on Catalyst's operating and financial performance and financial position.

More generally, changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities, war, pandemics or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on Catalyst's operating and financial performance and financial position.

Unforeseen expenses

Catalyst may be subject to significant unforeseen expenses or actions. This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events.

Share market conditions

There are risks associated with any investment in securities. Publicly listed securities and, in particular, securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies.

The price at which Catalyst Shares are quoted on the ASX may increase or decrease due to a number of factors. These factors may cause the Catalyst Shares to trade at prices below the price at the date of the Offer. There is no assurance that the price of the Catalyst Shares will increase following the Offer, even if Catalyst's earnings increase.

Some of the factors which may affect the price of Catalyst Shares include economic conditions in both Australia and internationally, investor sentiment and local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

Equity dilution

Catalyst may elect to issue Catalyst Shares or other securities in Catalyst in the future. While Catalyst will be subject to the constraints of the Listing Rules regarding the percentage of capital that it is able to issue within a 12-month period (other than where exceptions apply), the increase in the number of securities issued and the possible sale of these securities may have the effect of depressing the price of Catalyst securities already on issue. In addition, Catalyst shareholders at the time may be diluted as a result of the issue of such securities.

Changes in taxation rules of their interpretation

Changes in tax law (including value added taxes, indirect taxes or stamp duties), or changes in the way tax laws are interpreted, may impact Catalyst's tax liabilities or the tax treatment of a Catalyst shareholder's investment. In particular, both the level and basis of taxation may change. In addition, an investment in Catalyst Shares involves tax considerations which may differ for each Catalyst shareholder. Each Vango Shareholder is encouraged to seek professional tax advice in connection with the Offer and how they may be discretely impacted.

Force majeure events

Events may occur within or outside Australia that could impact on the Australian economy, Catalyst's operations and the price of Catalyst Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, pandemics and outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for Catalyst's products and its ability to operate its assets. Catalyst has only a limited ability to insure against some of these risks.

Litigation

As at the date of this Company Circular, Catalyst is not aware of any material disputes or litigation being undertaken. However, it is possible that Catalyst may be involved in disputes and litigation in the course of its future operations. There is a risk that any material or costly dispute or litigation and compensation or damages could adversely impact the financial position or performance of Catalyst.

Legal Proceedings and Regulatory Actions

Other than as disclosed in this Company Circular, Catalyst is not a party to any material legal proceedings, and there are no material legal proceedings to which any of Catalyst's property is subject, and no such proceedings are known to Catalyst to be contemplated.

On May 25, 2020, Zuleika Gold commenced legal proceedings against Vango and Dampier (Plutonic) Pty Ltd (subsequently a subsidiary of Catalyst), seeking a determination that Vango and Dampier (Plutonic) Pty Ltd had (allegedly) breached a binding term sheet dated May 12, 2017, which allowed Zuleika to earn up to a 50% interest in the K2 gold deposit and that Zuleika had in fact earned an interest (ranging from 4.1% to 11.87%). On October 31, 2022, the Supreme Court of Western Australia determined that Zuleika earned a 4.1% interest in M52/183 (the K2 gold deposit tenement) and ordered Vango to transfer that interest in the tenement and pay Zuleika's legal costs. Vango has lodged an appeal against this decision. The issue of damages arising out of any established liability will be heard following the completion of the appeal.

On November 8, 2018, legal proceedings were initiated against Vango by Billabong, a subsidiary of Superior, in the Supreme Court of Western Australia. Billabong claimed that it held first rights of refusal over tenements northeast and separate from the Plutonic Gold Operations and that those rights were breached in transactions in 2016 and 2017. On March 14, 2022, Catalyst announced that in regard to the 2017 transaction, the Supreme Court of Western Australia ordered Vango to make offers to Catalyst with respect to the K2 tenements and subsequently Catalyst accepted a binding offer. The Supreme Court of Western Australia also ordered Vango to pay 80% of Catalyst's taxed costs of the proceedings, including all reserved costs. With respect to the 2016 transaction, Catalyst was not successful and has filed an appeal. The appeal was held before the Supreme Court of Western Australia on February 15-16, 2023. The outcome of the appeal was announced on April 18, 2023, with a joint announcement made by Catalyst and Superior. Subsequently, the proposed orders include an order that the 2016 offer to purchase 40% of the tenements do not need to be made by Vango/DPPL unless and until the Arrangement Agreement has been terminated.

As of the date of this Company Circular there have been no penalties or sanctions imposed by a court or regulatory body against Catalyst that would likely be considered important to a reasonable investor making an investment decision.

Catalyst has not entered into any settlement agreements with a court relating to securities legislation or with a securities regulatory authority during the most recently completed fiscal year ended June 30, 2022.

Interests of Certain Persons or Companies in Matters to be Acted Upon

Catalyst is not aware of any material interest of any director or executive officer, any person that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Catalyst Shares, or any associate or affiliate of the foregoing persons, in any transaction within the three years before the date of this Information Circular that has materially affected, or is reasonably expected to materially affect, Catalyst.

Receivable from and payable to related parties

There are no outstanding receivables and payables at the reporting date in relation to transactions with related parties.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Auditors, Registrar and Transfer Agent

The auditors of the Vango and Catalyst are RSM Partners Australia and in connection with their audit of Catalyst's annual consolidated financial statements for the years ended June 30, 2022 and June 30, 2021 have confirmed that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

The transfer agent and registrar for the Catalyst Shares is Automic Group, which is located at Level 5, 191 St Georges Terrace, Perth WA 6000.

Material Contracts

Other than the contracts entered into in the ordinary course of business, the Arrangement Agreement (summarized in the body of this Company Circular under the heading "*The Arrangement – The Arrangement Agreement*"), and the contracts noted below, there are no other material contracts entered into by Catalyst since the beginning of the most recently completed Fiscal Year, or that are still in effect prior to the date of this Appendix "I".

Catalyst has an agreement with Raisemetrex Pty Ltd, to provide an online platform for the administration of capital raisings and electronic communications with shareholders. Mr. Stephen Boston, Non-Executive Chairman of Catalyst, is a director of Raisemetrex Pty Ltd. For the financial year ended June 30, 2022, Raisemetrex Pty Ltd was paid \$60,000 (2021: \$60,000).

On January 9, 2023, Catalyst entered into a bid implementation agreement to acquire all of the ordinary shares in Vango via a recommended off market takeover. Vango's primary asset was the Marymia Gold Project. The recommended off-market takeover bid provided for shareholders of Vango to receive five Catalyst Shares for every 115 Vango ordinary shares, valuing Vango at A\$66 million and upon completion, Vango shareholders were expected to own 35.7% of the enlarged Catalyst Group. The transaction completed on March 21, 2023 which resulted in Vango becoming a wholly owned subsidiary of Catalyst.

As part of the transaction with Vango, Catalyst entered into a binding term sheet with Collins Street Value Fund which was subject to shareholder approval. Under the term sheet, Collins Street Value Fund agreed to roll over their convertible note held with Vango into Catalyst, should Catalyst be successful in acquiring 100% of Vango Shares. The face value of the notes to be issued was A\$9.075 million with a maturity date of March 31, 2024. The conversion price of the note is A\$1.47 representing a 20% premium to the 30 day volume weighted average price of Catalyst's shares prior to the date of Vango takeover announcement (being January 10, 2023). Based on the conversion price, Catalyst will be obliged to issue 6,163,407 Catalyst Shares to Collins Street, if converted. An additional A\$2.5 million is available to Catalyst to draw down, on the same terms. If Catalyst issues or agrees to issue (including on a contingent basis) any shares at a price less than the conversion price prior to the maturity date, then the conversion price will be reduced to the lowest price at which Catalyst issued or agreed to issue (including on a contingent basis) the shares. If Catalyst issues or agrees to issue (including on a contingent basis) any shares, then the conversion price will be adjusted by applying a discount equivalent to the amount raised as part of a fundraise as a proportion of Catalyst's market capitalisation (determined as at the close of trade on the trading day immediately preceding the announcement of the fundraise). For example, if Catalyst undertakes a capital raise to raise \$10 million when its market capitalisation is \$100 million, then the conversion price must be reduced by 10%. Catalyst has the right to pay out the convertible note at any time. Upon pay out, Collins Street is to be issued with options equal to the face value divided by the conversion price and having an expiry date of March 31, 2024. Customary events of default are included in the term sheet, which was approved by shareholders of Catalyst at a general meeting of shareholders on February 28, 2023. In addition, the convertible note contains certain customary and negotiated anti-dilution provisions, including the following provisions: (i) if Catalyst issues or agrees to issue (including on a contingent basis) any Catalyst Shares at a price less than the conversion price prior to the maturity date thereof, then the conversion price will be reduced to the lowest price at which Catalyst issued or agreed to issue (including on a contingent basis) the said Catalyst Shares; and (ii) if, as a result of any litigation, claim, settlement or order from a court, Catalyst is deprived of, or ceases to receive some or all of the benefit of a portion of the indicated JORC resources of Catalyst, then the conversion price must be reduced in the same proportion that the reduction in the portion of the indicated JORC resources of Catalyst bears to the total indicated JORC resources held by Catalyst prior to that reduction.

Management Discussion and Analysis

The management's discussion and analysis for the following financial statement of Catalyst and Vango are attached hereto as Schedule Exhibit "B" to this Appendix "I":

- the annual reports of Catalyst for the financial years ended June 30, 2022 and 2021;
- the annual reports of Vango for the financial years ended June 30, 2022 and 2021; and

- the consolidated interim financial statements of Catalyst for the nine months ended March 31, 2023.

Interests of Experts and Financial Statements

The following financial statements of Catalyst and Vango are attached hereto as Exhibit "C" to this Appendix "I":

- a) the annual reports of Catalyst for the financial years ended June 30, 2022, 2021 and 2020;
- b) the annual reports of Vango for the financial years ended June 30, 2022, 2021 and 2020; and
- c) the consolidated interim financial statements of Catalyst for the nine months ended March 31, 2023 (which includes and incorporates therein, the applicable financial information with respect to Vango for the said period).

Financial statements for Vango and Catalyst have been audited by RSM Australia Partners, as set forth in their report thereon. RSM Australia Partners is independent with respect to Catalyst and Vango.

Additional Information

Additional information relating to Catalyst may be found on the ASX website at www.asx.com.au and at Catalyst's web site at www.catalystmetals.com.au.

EXHIBIT "A" TO THIS APPENDIX "I"
AUDIT COMMITTEE CHARTER

This charter (the "**Charter**") sets forth the purpose, composition, responsibilities and authority of the Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Catalyst Metals Limited (the "**Company**").

Scope

The audit committee is a committee of the Board of Catalyst Metals Limited (Company) with the specific powers delegated under this charter. The charter sets out the audit committee's function, composition, mode of operation, authority and responsibilities.

Function

The primary function of the committee is to assist the Board in fulfilling its responsibilities relating to accounting and reporting practices of the Company. In addition, the committee is also responsible for:

- a) monitoring the integrity of the financial statements of the Company including reviewing significant financial reporting judgements;
- b) co-ordination and appraisal of the quality of the audits conducted by the Company's external auditors;
- c) determination of the independence and effectiveness of the external auditors;
- d) maintenance of open lines of communications among the Board and the external auditors to exchange views and information, as well as confirmation of their respective authority and responsibilities;
- e) serve as an independent and objective party to review the financial information submitted by management to the Board for issue to shareholders, regulatory authorities and the general public;
- f) review the adequacy of the reporting and accounting controls of the Company; and
- g) review risk management and related issues.

The Committee is also responsible for establishing procedures for verifying the integrity of the Company's periodic reports which are not audited or reviewed by an external auditor, to satisfy the Board that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions.

The committee is not required to personally conduct accounting reviews or audits and is entitled to rely on employees of the Company or professional advisers where appropriate. Membership and composition

The Board shall appoint the members of the committee and review the composition of the committee at least annually. Where possible, the committee should comprise:

- a) at least three members;
- b) only non-executive directors of the Board, a majority of whom are independent;
- c) an independent chairman appointed by the Board and who is not the Chairman of the Board;
- d) members with sufficient financial skills and experience relevant to the committee's functions

The composition of the audit committee does not currently comply with recommended ASX guidelines. This is due to the current size of the Board and the number of independent directors. In circumstances where the size of the Board

is expanded and additional independent non-executive directors are appointed, as a result of the growth or complexity of the Company, the composition of the audit committee will be reconstituted.

Meetings

The committee shall:

- a) meet as frequently as required but at least two times per year; and
- b) the minimum quorum for a committee meeting is two members.

The secretary of the committee is the Company Secretary;

Authority

In performing its functions in accordance with any applicable law, the committee:

- a) has unrestricted access to the external auditors, senior management and employees of the Company.
- b) has unrestricted access to information and reports relevant to fulfilling its responsibilities.
- c) may seek independent external advice on matters brought before the committee or in relation to the functions and responsibilities of the committee.
- d) shall have the power to conduct or authorise investigations into any matters within the committee's scope of responsibilities or when requested by the Board.

Responsibilities

The committee must promote an environment within the Company which is consistent with best practice financial reporting. In particular, the committee will carry out the following tasks:

- a) perform an independent review of financial information prepared by management for external reporting. This will include conducting reviews of the annual report, directors' report, annual financial statements, half yearly financial statements and any other externally reported financial information required by law;
- b) monitor the integrity and effectiveness of financial reporting processes.
- c) review and assess the external audit arrangements.
- d) review the corporate governance policies and practices in relation to audit issues to ensure that these are consistent with best practice.
- e) consider the risk management policies and practices as they relate to investment risk, operational and physical risks and other matters.
- f) review of accounting principles and practices and in particular any proposed changes to those principles and practices and to consider any special treatment of unusual transactions.
- g) review of internal controls relating to accounting activities, including the effectiveness and/or any weaknesses or breaches.
- h) review policies and practices in meeting legal and regulatory compliance obligations, including continuous disclosure requirements to the Australian Securities Exchange, reporting to the Australian Securities Investment Commission and the Australian Tax Office.

External audit arrangements

The committee shall report to the Board on external audit arrangements, including:

- a) making recommendations to the Board on the appointment, re-appointment, replacement and remuneration of the external audit firm;
- b) review the terms of engagement for the external auditor;
- c) review the scope of the external audit with the external auditor including identified risk areas;
- d) monitor the performance of the external audit including assessment of the quality and rigour of the audit, quality of the service provided;
- e) review and assess non-audit services to be provided by the external auditor, with particular consideration to the potential to impair or appear to impair the external auditors' independence;
- f) review and monitor management's responsiveness to the external audit findings; and
- g) on a periodic basis, meet with the external auditor without the presence of management.

Appointment of external auditor

Should a change in auditor be considered necessary, a formal tendering process will be undertaken. The committee will identify the attributes required of an auditor and will ensure the selection process is sufficiently robust so as to ensure selection of an appropriate auditor.

The committee will ensure that prospective auditors have been provided with a sufficiently detailed understanding of the Company, its operations, its key personnel and any other information, including group structures and financial statements, that will have a direct bearing on each firm's ability to develop an appropriate proposal and fee estimate.

In selecting an external auditor, particular consideration will be given to determining whether the fee quoted is sufficient for the work required, that the work is to be undertaken by people with an appropriate level of seniority, skill and knowledge and whether the work proposed is sufficient to meet the Company's needs and expectations.

The appointment of a new external audit firm will be placed before shareholders for ratification at the next annual general meeting after the appointment is made.

Rotation and succession planning

The committee will discuss with the auditor the provisions the audit firm has in place for rotation of the lead engagement partner and the independent review partner. The Company shall require that the lead engagement partner be rotated at least every 5 years and the review partner be rotated at least every 3 years.

Internal audit arrangements

The committee shall consider annually whether there is a need for an internal audit function and make a recommendation to the Board on whether such a function is considered necessary.

Management sign-off procedure

The audit committee will ensure that the Managing Director (or the person carrying out the duties of chief executive officer) and Chief Financial Officer prepare a written statement to the Board that in their opinion, the financial records of the Company have been properly maintained and that the financial statements for a financial period present a true

and fair view, in all material respects, of the financial condition of the Company and its operational performance and are in accordance with relevant accounting standards.

The Managing Director (when appointed) and Chief Financial Officer shall also confirm that the declaration provided in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The statement is to be presented to the Board prior to the approval and sign-off of the financial statements.

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EXHIBIT "B" TO THIS APPENDIX "I"
CATALYST AND VANGO MANAGEMENT'S DISCUSSION & ANALYSIS

See attached.

Catalyst Metals Limited

Management Discussion & Analysis

For the Nine Months Ended 31 March 2023

(Expressed in Australian Dollars, except where otherwise indicated)

Notes

This Management's Discussion and Analysis ("MD&A") dated May 14, 2023, should be read in conjunction with Catalyst's Auditors Review financial statements and related notes for the nine months ended March 31, 2023 and 2022 ("financial statements") which are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). All dollar figures stated herein are expressed in thousands of Australian dollars ("AUD"), except for per share or per ounce amounts or unless otherwise specified. The Company's public filings can be viewed on the ASX website (www.asx.com.au) and on the Company's website (www.catalystmetals.com.au).

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. See also, the risk factors referred to at the end of this MD&A.

John McKinstry, an employee of the Company and a "qualified person" within the meaning of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101") has reviewed and approved the scientific and technical information in this MD&A.

Description of the Business

Catalyst is an Australian based and listed gold producer and explorer. Catalyst controls three gold belts in Australia, as part of a multi asset strategy. The three pillars of Catalyst's current strategy are as follows:

- in Western Australia, Catalyst owns the Marymia Gold Project located approximately 300 kilometres northeast of Meekatharra in the mid-west region of Western Australia, at the northern end of the Eastern Gold Fields Province;
- in Victoria, Catalyst holds a significant landholding with a large, contiguous dominant tenement package covering 75 kilometres of strike length immediately north of the proven +22Moz Bendigo Goldfields and near Agnico Eagle's high grade Fosterville gold mine; and
- in Tasmania, Catalyst owns a strategic tenement package covering 25 kilometres of strike length of the under explored Henty fault and operates the high-grade Henty Gold Mine which has produced 1.4Moz of gold at a head grade of 8.9 g/t gold.

Catalyst has an interests in two retention licences (RL's) and thirteen exploration licences (EL's) over the Whitelaw Gold Belt and similar geological terranes both to the east and to the west (Figure 1). These licences total some 2,246 square kilometres in area.

Highlights for nine months to March 31, 2023

During the nine months to March 31, 2023, the Australian dollar gold price increased by approximately 12.5%. This increase in the gold price has supported Catalyst's revenues. By March 31, 2023, inflation in the Australian economy had increased to 7.0%¹. In Victoria, being an employer of few personnel and limited contractors, with the majority of expenditure being that of drilling consumables related to exploration activities, the inflationary impact was less severe than at Henty, where inflationary pressures were noticed across the site and departments.

On November 17, 2022, Catalyst advised that it has taken an important step in its strategy to find the extension of the historic Bendigo Goldfield by starting the approvals process for a proposed exploration tunnel at the Four Eagles Gold Project in

¹ www.abs.gov.au

Victoria. Catalyst, as operators of the Four Eagles Joint Venture, has lodged the Work Plan application with Earth Resources Regulation (ERR). The Work Plan proposes a 3.6km long exploration tunnel running 140m below the surface. The location of the proposed exploration tunnel is between Hayanmi and Boyd's Dam Prospects. Once the exploration tunnel is established, Catalyst would be in a position to undertake an extensive drilling project from the tunnel. The aim of this program would be to observe important geological information that could not otherwise be seen from the surface. The exploration tunnel enables drilling to be conducted all year round. It also allows Catalyst to explore for deeper extensions to the already known gold bearing structures. During March 2023 quarter Catalyst advised that following an initial submission and consultation with the Victorian Government, Catalyst had submitted a revised Works Plan which incorporates feedback from the Government and key stakeholders. Engagement with the government has been encouraging, albeit will take time.

On August 15 2022, Catalyst was advised by Joint Venture Partner, ASX listed St Barbara Limited, that it had withdrawn from the Drummartin Joint Venture to focus on its existing projects. Drummartin is a strategic tenement lying directly along strike from the Fosterville gold mine and Blocks 1, 2 and 3 of the North Central Victorian Gold Tender. Catalyst entered into the joint venture agreement over the Drummartin Project (Figure 1) in November 2019. St Barbara had the right to acquire a 50% participating interest in the Drummartin Project by funding exploration expenditure of \$3.5 million within four years of the commencement date. At the time of withdrawal, St Barbara had spent approximately \$2.2 million on gravity and geochemical surveys, soil sampling and aircore drilling. The Drummartin Joint Venture had identified 13 gravity targets from the detailed gravity survey completed last year. Catalyst will follow-up these prospective targets, which have been generated at no cost to Catalyst, as part of its ongoing exploration program.

On September 27, 2022, Catalyst announced the Henty Mineral Resource estimate, with an increase of 10% after accounting for FY22 depletion. Mineral Resources stood at 2.6 million tonnes @ 4.3g/t Au for 368,000 ounces of gold. Recent strong drilling results from the Cradle Zone are not included in this resource but will form part of a subsequent resource update in the March quarter of 2023. Importantly the resource has grown across Henty's key production zones increasing the mining inventory in areas that have a comparatively low cost of conversion.

On November 10, 2022, Catalyst announced an initial JORC 2012 compliant Ore Reserve Estimate of 983,000t at 3.6g/t for 115,000oz at its Henty Gold Mine in Tasmania. This maiden Reserve followed the recently released Mineral Resource Estimate (Refer ASX release dated 27 September 2022) which showed that after accounting for the Financial Year 2022 production, there was an increase of 10% in the Henty's Mineral Resource and a 20% increase in Resources since Catalyst acquired Henty in January 2021.

During the nine months to March 31, 2023 the Company announced changes to its management team including, in October 2022, the appointment of James Champion de Crespigny as Managing Director & CEO. Mr. Champion de Crespigny had been acting as Director to Catalyst since late 2021 and brings to the role a strong background in corporate development. The Company has publicly stated its desire to grow inorganically and Mr Champion de Crespigny is expected to pursue these initiatives. In addition, the Company announced the appointment of Donna Thornton as Chief Financial Officer. Ms. Thornton is a qualified chartered accountant with over 20 years of experience in the resources and contractor mining sectors, having most recently held the position of Group Financial Controller with ASX-listed gold miner Alkane Resources.

Significant flooding in the Victorian state during the nine months to March 31, 2023, impacted drilling progress at the Company's Bendigo goldfields. At the Four Eagles Gold Project, the flooding resulted in a delay in the release of various Resource estimates. Drilling resumed in December 2022 after the flooding events and continued until April 2023. The aim of this drill program was to achieve multiple maiden resource estimates at the Boyd's Dam, Hayanmi and Pickles Prospects and are expected to be released in the 2023 calendar year. These planned Resources all lie in close proximity to the proposed Exploration Tunnel. These potential Resources surrounding the proposed exploration tunnel are important to the ultimate investment decision of the merits of proceeding with development of the tunnel itself.

At the Four Eagles Gold Project a new high-grade zone (Iris Zone) was identified with eight visible gold samples across what appears a continuous zone of mineralisation, immediately beneath Boyd's Dam. This was important as the Iris Zone presents first clear proof of concept that Four Eagles contains the same structural style as the 22-million-ounce Bendigo Goldfield, where high-grade mineralised zones repeated at depth. Further, supporting the thesis that the Bendigo tenements supported extension of the Bendigo goldfields, was drilling during the quarter at Hayanmi. The results from the first deep hole at Hayanmi extended the mineralised system around the proposed tunnel area -i.e. significant intersections (3.5m at 8.9g/t Au from 232m) thereby indicating repeated mineralisation at depth now at both Hayanmi and Boyd's Dam.

During the nine months to March 31, 2023, the 2022 drilling campaign was completed at the Marymia Gold Project. Drilling targeted Triple P, Mareast and Apex exploration areas and was designed to test for strike and depth extensions of existing gold mineralization. A total of 3,504 metres over 19 reverse circulation (RC) holes was completed. In addition, the latest phase of drilling was completed at Ned's Creek Joint Venture Project which include three RC drill holes for a total of 594m, with results currently pending.

During the three months to March 31, 2023, Catalyst entered into a Bid Implementation Agreement with Vango Mining Limited (Vango) whereby Catalyst made an Off-Market Scrip Offer (the Offer) for 100% of Vango's shares at an implied value of A\$66m. The Offer was unanimously supported by the Vango Board of Directors (discussed further below).

As part of the transaction with Vango, Catalyst entered into a binding term sheet with Collins Street Value Fund which was subject to shareholder approval. Under the term sheet, Collins Street Value Fund agreed to roll over their convertible note held with Vango into Catalyst, should Catalyst be successful in acquiring 100% of Vango Shares. The face value of the notes to be issued was A\$9.075m with a maturity date of 31 March 2024 (discussed further below).

During the three months to March 31, 2023, Catalyst announced it has entered into a definitive agreement with Superior Gold Inc. pursuant to which Catalyst will acquire all of the issued and outstanding common shares of Superior via a plan of arrangement under the laws of Ontario, Canada (discussed further below).

Acquisition of Vango Mining Limited

On January 10, 2023, Catalyst entered into a Bid Implementation Agreement with Vango Mining Limited (Vango) whereby Catalyst made an Off-Market Scrip Offer (the Offer) for 100% of Vango's shares by offering five Catalyst shares for every 115 Vango shares. The implied value of Catalyst's Offer was A\$66m for Vango. The Offer was unanimously supported by the Vango Board of Directors.

On February 9, 2023, four weeks after initiating its bid for Vango, Catalyst announced that it had received 71.4% acceptances from Vango shareholders and therefore met the minimum acceptance condition for the off-market takeover bid for Vango. On February 21, 2023, having acquired 90.5% of Vango shares, Catalyst announced that it would be compulsorily acquiring the remaining shares in Vango (with the acquisition subsequently completed in March 2023).

Simultaneously to the announcement of Catalyst's Offer to acquire Vango, Catalyst announced it was in discussions with Superior Gold, owner of the Plutonic Gold Mine which lies adjacent to Vango's Marymia Gold Project.

Acquisition of Superior Gold Inc

On 24 February, Catalyst announced it has entered into a definitive agreement (the "Agreement") with Superior Gold Inc. ("Superior") pursuant to which Catalyst will acquire all of the issued and outstanding common shares of Superior ("Superior Shares") via a plan of arrangement under the laws of Ontario, Canada ("Transaction"). The Transaction, in conjunction with Catalyst's successful acquisition of Vango Mining Limited ("Vango"), provides a compelling opportunity to unlock and maximise value from the world-class Plutonic-Marymia gold belt and support the growth of a new high grade, mid-tier gold mining company on ASX. The Plutonic gold mine has a 3Mtpa CIL processing capacity via two plants, Reserves of 630,000oz at 3.5g/t and a Resource of 5.9Moz at 3.7g/t.9. The Plutonic mine site itself is well capitalised with 3Mtpa CIL processing capacity, 364 person accommodation camp, and a 37 piece underground mobile equipment fleet, an airstrip and a 16MW gas fired power station. The Transaction was unanimously recommended by Superior's Board of Directors.

Capital Raisings

On March 10, 2023, Catalyst announced it had received commitments to subscribe for 22 million new fully paid ordinary shares (the "New Shares")) from institutional and sophisticated investors at an issue price of \$1.00 per share to raise \$22 million (before costs) (the "Placement"). Placement proceeds will be used to accelerate development and exploration activities across the Plutonic-Marymia gold belt, following Catalyst's successful takeover of Vango Mining Limited (Vango) and subject to the acquisition of Superior Gold Inc., which has been unanimously recommended by Superior's Board of Directors. The Placement satisfied a key condition of Catalyst's proposed acquisition of Superior to be implemented by way of a Canadian statutory plan of arrangement.

As part of the transaction with Vango, Catalyst entered into a binding term sheet with Collins Street Value Fund which was subject to shareholder approval. Under the term sheet, Collins Street Value Fund agreed to roll over their convertible note held with Vango into Catalyst, should Catalyst be successful in acquiring 100% of Vango Shares. The face value of the notes to be issued was A\$9.075m with a maturity date of 31 March 2024. The conversion price of the note is A\$1.47 representing a 20% premium to the 30 day volume weighted average price of Catalyst's shares prior to the date of Vango takeover announcement (10 January 2023). Based on the conversion price, Catalyst will be obliged to issue 6,163,407 Catalyst Shares to Collins Street, if converted. An additional A\$2.5m is available to Catalyst to draw down, on the same terms. If Catalyst issues or agrees to issue (including on a contingent basis) any shares at a price less than the conversion price prior to the maturity date, then the conversion price will be reduced to the lowest price at which the Company issued or agreed to issue (including on a contingent basis) the shares. If Catalyst issues or agrees to issue (including on a contingent basis) any shares, then the conversion price will be adjusted by applying a discount equivalent to the amount raised as part of a fundraise as a proportion of the Company's market capitalisation (determined as at the close of trade on the trading day immediately preceding the announcement of the fundraise). For example, if Catalyst undertakes a capital raise to raise \$10 million when its market capitalisation is \$100 million, then the conversion price must be reduced by 10%. Catalyst has the right to pay out the convertible note at any time. Upon pay out, Collins Street is to be issued with options equal to the face value divided by the conversion price and having an expiry date of 31 March 2024. Customary events of default are included in the term sheet. This term sheet was approved by shareholders of Catalyst on February 28, 2023.

Impact of COVID-19 and Labour Market

On March 11, 2020, the World Health Organization declared a global pandemic related to COVID-19 ("Covid").

During the nine months to March 31, 2023, the impact on the Catalyst workforce in both Tasmania and Victoria eased, relative to the previous period as fly in / fly out workers returned to the state.

During the nine months to March 31, 2023, the Company continued to test site-based employees for COVID-19. Catalyst provided remote working options for employees affected by COVID-19. The Company continued to closely monitor all developments regarding COVID-19 to ensure a safe working environment for its employees, contractors and stakeholders. The Company encouraged all employees to obtain vaccinations, however, relied on Australia's broader government policies which encouraged citizens to obtain vaccinations.

The Covid-19 impact on Western Australian operations was minimal during the latter part of the nine months to March 31, 2023. Other Key Business Developments

Catalyst and Superior Gold announced the judgement of the appeal regarding litigation between Superior Gold's wholly-owned subsidiary, Billabong Gold Pty Ltd ("Billabong") and Vango Mining Limited and its subsidiary Dampier (Plutonic) Pty Ltd (collectively, "Vango"). The appeal overturns a prior ruling, stating Vango is required to offer Billabong the right to purchase a 40% interest in the Vango held Marymia Tenements, located adjacent to the Company's 100% owned Plutonic Gold mine.

On April 18, 2023 the Supreme Court of Western Australia (the "Court of Appeal") published its decision on this matter and ruled that the 2016 breach of a right of first refusal was valid. This ruling is in addition to the 2017 breach of the right of first refusal where the Company was awarded the right to enter into a heads of agreement to earn-in to 50% of the Vango held K2 tenements (as announced by the Company on March 14, 2022). Final orders are scheduled to be heard in the Court of Appeal on April 26, 2023.

Year-to-date Performance Summary

9 Months to 31 March 2023

During the nine months to March 31, 2023, the Australian dollar gold price increased by approximately 12.5% which provided support to Catalyst's revenues. By March 31, 2023, inflation in the Australian economy had increased to 7.0%.² In Victoria, being an employer of few personnel and limited contractors, with the majority of expenditure being that of drilling consumables related to exploration activities, the inflationary impact was less severe than at Henty, where inflationary pressures were noticed across the site and departments.

² www.abs.gov.au

Gold produced in the nine months to March 31, 2023 was 18,147 ounces of gold at a C1 cash cost and AISC of \$1,877/oz and \$2,454/oz per ounce respectively. AISC was higher in the period, owing to investments in sustaining capital, including investments in mine fleet and underground drilling. Revenue from the Henty Gold Mine operations was \$48,338 million, an increase from the prior period of \$2,958.

In the nine months to March 31, 2023, Henty mined 288,867t of ore at an average grade of 3.8g/t. Ore mined was slightly improved from the prior year, with an increase of 28,205t, albeit at a 0.1g/t lower grade. Overall mined ounces during the nine months to March 31, 2023 were 148 ounces below the prior period. Mining performance was supported by a sustained improvement in the development rates and high focus on execution to plan.

Processed ore totaled 168,146t at an average head grade of 3.7g/t, 0.3g/t lower than the prior period. 18,147 ounces of gold was produced with an average recovery of 91.1%. Recovery rates under Catalyst ownership has consistently averaged above 90%, compared to the quarter prior to Catalyst's ownership 73.1%. In addition to gold production, 16,082 ounces of silver was produced and sold with a realized silver price of A\$33 per ounce. Silver sales was marginally higher than the prior period.

As at March 31, 2023, the Company's current assets totaled \$47,402 and current liabilities amounted to \$39,102, for a net working capital surplus of \$8,300. The majority of current assets are cash and cash equivalents of \$35,032 and inventories of \$6,973. This compares favourably to a cash balance of \$18,242 for the year ended June 30, 2022, however the working capital balance has increased by \$4,824, owing primarily to the Collins Street convertible note. In management's view, at March 31, 2023 Catalyst has sufficient financial resources to fund the operations, planned exploration programs and ongoing operating expenses.

The Company is subject to a number of risks and uncertainties which are inherent in mineral exploration and mining operations. These include but are not limited to commodity price exposure, exchange rate risk, exploration risk, operating risk and others which are discussed further in this MD&A. Management is not aware of any events or commitments of the Company, that that they are aware of, and that exist at the time of this MD&A which could materially affect the company's future performance and financial performance.

Summary of operational results

	9 months to March 2023	9 months to 31 March 2022	9 months to 31 March 2021
Total Mined (t)	288,867	260,662	67,317
Ore Mined (t)	170,092	163,245	31,823
Mine Grade (g/t)	3.8	3.9	5.8
Processed (t)	168,146	158,832	33,006
Average Head Grade (g/t)	3.7	4.0	5.3
Recovery Gold (%)	91.1	91.6	94.1
Gold Produced (oz)	18,147	18,444	5,293
Gold Sold (oz)	17,897	17,991	5,059
Gold Price Realised (\$/oz)	2,648	2,490	2,258
Cash Cost (\$/oz)	1,877	1,743	1,495
AISC (\$/oz)	2,454	2,263	1,721
Silver Sold (oz)	16,082	15,530	3,108
Silver Price Realised (\$/oz)	33	34	34

Exploration Activities

At Henty, key exploration activities included: Four underground drill rigs operating at Henty during the quarter, completing a total of 35,030m of which 17,673m was directly attributable to exploration. Exploration results continue to show potential to increase Resources outside existing shells, and potential to delineate Resources in new areas not previously considered. Significant drilling results at Henty.

Darwin Central³

2.0m @ 70.2g/t Au

Darwin North

11.3m @ 11.3g/t

6.6m @ 17.7g/t

8.7m @ 8.7g/t

10.6m @ 6.5g/t

7.2m @ 6.6g/t

Darwin South

3.6m @ 39.2g/t

Zone 96

11.5m @ 22.8g/t

3.2m @ 21.9g/t

5.8m @ 13.1g/t

3.9m @ 10.2g/t

2.4m @ 13.2g/t

3.9m @ 8.2g/t

5.0m @ 6.1g/t

1.6m @ 16.6g/t

2.2m @ 11.6g/t

Newton

7.2m @ 4.7g/t

Intermediate

7.1m @ 4.1g/t

Mt Julia

8.3m @ 11g/t

5.2m @ 5.4g/t

In Bendigo key activities across the project included:

Exploration continued in Victoria at Four Eagles with one air core rig, one RC rig, and one diamond drill rig. Progress was delayed from mid-October to December due to the unseasonal rains experienced across southeast Australia. The Boyd's Dam diamond drilling program was focused on the deeper extensions of the main structural position down-dip of the shallow Boyd's Dam mineralisation. These are the final holes to be incorporate into the pending Resource estimate at Boyd's Dam. The air core and RC drilling programs focused on the Hayanmi prospect and the intervening zone to the east towards Boyd's Dam. Significant rainfall across the Bendigo region led to an interruption in activity during the quarter and there have been no new reportable assay results. As a result, resource estimation of down-dip targets at Boyd's Dam have been delayed, and it is anticipated that this body of work will continue as holes are completed and assays are returned in parallel with the Hayanmi resource development RC program.

Significant drilling results at Bendigo

Four Eagles⁴

• 17.1m @ 6.4 g/t Au

• 5. 5m @ 10.4 g/t Au

• 0.8m @ 16.6 g/t Au

• 6.6m @ 5.4 g/t Au

• 3.5m @ 8.9g/t Au

³ See the Company's ASX Announcement of January 25, 2023.

⁴ See the Company's ASX Announcement of January 25, 2023.

- 0.9m @ 13.5 g/t Au
- 5.0m @ 9.1 g/t Au
- 0.6m @ 11.4 g/t Au
- 0.4m @ 91.6 g/t Au
- 0.3m @ 17.4 g/t Au

There were minimal exploration activities conducted at the Marymia Gold Project other than the conclusion of the prior year's drill programme during the quarter ended September 30, 2022.

Outlook

Catalyst has recently entered into arrangement to consolidate two companies controlling the Plutonic-Marymia Gold Belt. The focus of the company's efforts going forward will be to implement operational improvements across the operation as well as advancing the development of various high grade satellite resources to allow for near-term processing through the centralized processing plant.

Operations at Henty will continue to focus on reducing costs and increasing production while exploration activities in Bendigo are impeded during the winter months, with a focus on finalizing resource estimation from the recent drilling campaigns. It is estimated that a maiden Resource for Bendigo will be available in the upcoming quarter.

Catalyst has prepared a Work Plan on behalf of the JV partners for submission to the Victorian government regulators seeking permission to develop a 3.4Km tunnel at Four Eagles. The tunnel will commence at the northern end of Boyd's North and run parallel with Boyd's Dam and Hayanmi, at a depth of approximately 140m. The tunnel will be used as a drilling platform for completing Resource drillouts on Boyd's Dam, Boyd's North and Hayanmi but will also provide the platform for deeper exploration drilling which has proved difficult from surface. The underground platform provides year-round access, minimises the impact on cropping fields and provides minimal visual impact on surface. Approval is anticipated in late 2023 with an investment decision to be made mid-year for a spring start on development.

The Company's expectations and business strategy are subject a number of risks and uncertainties which are inherent in mineral exploration and mining operations, and accordingly, there can be no assurance that the Company will achieve its anticipated business objectives and milestones, as contemplated and within the timelines contemplated, or at all. See also, the risk factors referred to at the end of this MD&A.

Summary of Financial Results

<i>A\$'000</i>	9 months to 31 March 2023	9 months to 31 March 2022	9 months to 31 March 2021
Revenue	48,388	45,380	10,213
Net income (loss)	(6,332)	3,883	6,324
Earnings (loss) per share –basic and diluted	(0.06)	0.04	0.06
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents	35,033	20,434	26,862
Non-current assets	150,884	56,974	41,963
Total assets	198,050	86,973	81,340
Current liabilities	42,429	18,205	16,114
Non-current liabilities	8,535	3,964	5,709

Results of Operations

The financial statements are presented in Australian dollars, which is Catalyst's functional currency.

Operating Income (Loss)

Operating loss for the nine months to March 31, 2023 was \$6,332, a decrease of \$10,215 compared to the operating profit of \$3,883 in the prior period. The reduced operating result can be primarily attributed to increased personnel costs, higher administrative overheads relating to the high level of corporate and M&A activity in the March 2023 quarter and higher depreciation and amortization charges contributing \$4,829 to the variance. Mining and processing costs at Henty were \$2,861 lower than the prior period.

Revenues

During the nine months to March 31, 2023 metal sales totaled \$48,388 from the sale of 17,897 ounces of gold and 16,082 ounces of silver at a realized price of \$2,648/ounce and \$33/ounce respectively. Metallurgical recoveries of 91.1% were achieved for the period, higher than estimated under Catalyst's pre-acquisition modelling.

Gold sales in the prior period were almost identical (4 ounces higher), however the realized gold price was \$158/ounce lower. Silver sales in the prior period were 552 ounces lower at a \$34/ounce silver price. These factors contributed to lower revenues in the nine months to March 31, 2022 of \$45,380, \$3,008 lower than 2023.

Financial Position as at June 30, 2021

As at March 31, 2023, the Company's current assets totaled \$47,165 and current liabilities amounted to \$42,429, for a net working capital surplus of \$4,735. The majority of current assets are cash and cash equivalents of \$35,032 and inventories of \$6,736. The decrease from a working capital surplus of \$13,124 as at March 31, 2022, was predominantly the result of higher trade and other payables and the convertible note from Collins St. This was offset, however, by a \$14,599 increased cash balance as a result of the company's equity capital raising during the period.

Non-current assets increased significantly by \$93,910 from March 31, 2022. This was primarily a reflection of acquiring Vango Mining. The increase was across mining development assets, reflecting capitalized underground development at Henty and capitalized exploration expenditure, primarily relating to the acquisition of Vango Mining but a smaller amount attributable to exploration activities at Henty and Bendigo.

Current liabilities increased by \$24,224 to \$42,429 predominantly as a result of the Henty acquisition. The increase can also be attributable to higher accounts payable balances, reflecting additional payables inherited through the acquisition of Vango and timing differences related to working capital. In addition, an increase in interest bearing liabilities was recognized in the period, representing the convertible note acquired from Collins Street.

Non-current liabilities increased by \$4,571 primarily relating an increase in rehabilitation provision arising from the acquisition of Vango.

Equity consisted of contributed equity of \$150,393, an increase relating primarily to the issuance of ordinary shares resulting from the acquisition of Vango and an equity capital raise during the year.

Cash flow

Operating Activities

Cash provided by operating activities for the nine months to March 31, 2023, totaled \$13,576, compared to \$6,002 in 2022. The increase in cash flows was in part due to higher revenue in the period, but primarily attributable to a working capital difference in the period.

Investing Activities

Cash used by investing activities for the nine months to March 31, 2023, totaled \$17,307 compared with \$19,808 in 2022. In the period ended March 31, 2022, this outflow was primarily attributable to the purchase of mobile equipment at Henty, exploration expenditure and capitalized development costs at Henty. In addition to Henty costs, exploration expenditure across the Bendigo assets was reflected in this increase.

Financing Activities

Cash provided by financing activities was \$20,521 for the nine months to March 31, 2023, compared with \$3,722 in 2022. In the period ended March 31, 2022, this inflow was primarily attributable to \$21,450 raised from private placements with shareholders, ordinary shares issued as consideration for the acquisition of Henty, \$2,168 from joint venture partners for exploration activities across the Bendigo portfolio.

In management's view, Catalyst has sufficient financial resources to fund the operations, planned exploration programs and ongoing operating expenses. As of March 31, 2023 Catalyst had cash of \$35,032, compared to \$18,243 as at March 31, 2022. Catalyst expects to reduce its reliance on raising equity or other capital and re-invest the cashflows generated by Henty into its broader exploration portfolio.

Dividends

Catalyst has neither declared nor paid any dividends on its Ordinary Shares. Catalyst intends to retain its earnings, if any, to finance growth and expand its operations and does not have any immediate plans to pay any dividends on its Ordinary Shares.

Liquidity and Capital Resources

In management's view, Catalyst has sufficient financial resources to fund the operations, planned exploration programs and ongoing operating expenses. As of March 31, 2023 Catalyst had cash of \$35,032, compared to \$18,243 as at March 31, 2022. Catalyst expects to reduce its reliance on raising equity or other capital and re-invest the cashflows generated by Henty into its broader exploration portfolio.

The Company is subject to risks and challenges similar to other companies in a comparable stage of operation, exploration and development. These risks include, but are not limited to, losses, successfully raising cash flows through debt or equity markets and the successful operation and development of its mineral property interests to satisfy its commitments and continue as a going concern.

Catalyst expects that its existing cash at March 31, 2022 together with cash from operations will be sufficient to fund cash requirements in the ordinary course of business for the next twelve month period. However, the Company's liquidity position is sensitive to a number of variables which cannot be predicted with certainty, including, but not limited to, meeting gold production targets, gold prices, foreign exchange rates, operational costs and capital expenditures. If the Company's cash and cash flow from operations is not sufficient to satisfy its requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or available on terms acceptable to the Company. The consolidated financial statements do not include adjustments to the carrying values of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern. These adjustments may be material.

The Company may require the issuance of equity or other forms of financing to complete or accelerate programs associated with any future development and exploration initiatives that are not contemplated in its current life of mine plan. Catalyst's ability to raise equity and other forms of financing in the future under terms acceptable to the Company will be dependent on operating performance and on global markets, in particular, the price of gold and currency exchange rates.

The Company's revenues, operating results and cash inflows are highly dependent on the availability of labour for the Henty Gold Mine, which are affected by the challenging labour conditions on the west coast of Tasmania. Obtaining appropriately skilled personnel, including external service providers, have been compounded by the impact of absenteeism in the workforce as a result of COVID-19.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

In the period ended March 31, 2023, the company had the following arrangements with related parties. All transactions were made on normal commercial terms and conditions and at market rates.

1. Mr Boston is a Director of Raisemetrex Pty Ltd which was is paid an annual amount of \$60,000 by the Company to provide an online platform for the administration of capital raisings and electronic communications with shareholders.

Commitments & Contingencies

As part of the transaction with Vango completed in March 2023, Catalyst entered into a binding term sheet with Collins Street Value Fund which was subject to shareholder approval. Under the term sheet, Collins Street Value Fund agreed to roll over their convertible note held with Vango into Catalyst, should Catalyst be successful in acquiring 100% of Vango Shares. The face value of the notes to be issued was A\$9.075m with a maturity date of 31 March 2024. The conversion price of the note is A\$1.47 representing a 20% premium to the 30 day volume weighted average price of Catalyst's shares prior to the date of Vango takeover announcement (10 January 2023). Based on the conversion price, Catalyst will be obliged to issue 6,163,407 ordinary shares to Collins Street, if converted. An additional A\$2.5m is available to Catalyst to draw down, on the same terms.

Critical Accounting Policies and the Use of Estimates

The discussion and analysis of Catalyst's financial condition and results of operations are based upon its financial statements which have been prepared in accordance with IFRS. The preparation of financial statements requires the Company to make estimates and judgements that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates under different assumptions.

The impact of financial instruments and areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are summarised below. Catalyst's accounting policies are discussed in more detail in the Company's audited annual financial statements for the year ended June 30, 2022, which are included in the management information circular of Superior Gold Inc. within which this MD&A is included and also available on the ASX website (www.asx.com.au) and on the Company's website (www.catalystmetals.com.au).

Exploration and evaluation costs

The application of the Company's accounting policy for exploration and evaluation necessarily requires management to make certain estimates and assumptions as to future events and circumstances, in particular the assessment of whether economic quantities of reserves may be found. Any such estimates and assumptions may change as new information becomes available.

Unit-of-production method of depreciation/amortisation

The Company uses the unit-of-production basis when depreciating/amortising life of mine specific assets which results in a depreciation/amortisation charge proportionate to the depletion of the anticipated remaining life of mine production. Each asset's economic life, which is assessed annually, has due regard for both its physical life limitations and to present assessments of economically recoverable mine plan of the mine property at which it is located. These calculations require the use of estimates and assumptions.

Inventories

Net realisable value tests are performed at each reporting date and represent the estimated forecast sales price of the gold when it's expected to be realised, less estimated costs to complete production and bring the product to sale. Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained gold ounces based on assay data, and the estimated recovery percentage. Stockpile tonnages are verified by periodic surveys.

Rehabilitation provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired. The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss. On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date. Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss. Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Financial Instruments

Catalyst's significant accounting policies regarding its financial instruments are set out below. Catalyst is of the opinion that it is not exposed to significant interest, currency or credit risks arising from outstanding financial instruments as at March 31, 2023.

Recognition and Initial Measurement

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and are solely principal and interest. All other financial instrument assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income. Financial assets may be impaired based on an expected credit loss model to recognise an allowance. Such impairment is measured with a 12-month expected credit loss model unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime expected credit loss model is adopted. For financial liabilities, the portion of the change in fair value that relates to the Company's credit risk is presented in other comprehensive income.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Interest rate risks

The Company's exposure to the risks of changes in market interest rates relates primarily to the Company's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Company to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing or fixed rate. The Company does not engage in any hedging or derivative transactions to manage interest rate risk.

Credit risk

The maximum exposure to credit risk at balance date is the carrying amount (net of provision of doubtful debts) of those assets as disclosed in the balance sheet and notes to the financial statements. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Liquidity risk

The responsibility for liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments.

Price risk

The consolidated entity is exposed to commodity price risk arises from gold and other metals held as sales. The policy of the consolidated entity is to sell gold and other metals at the spot price and it has not entered into any hedging contracts. The consolidated entity's revenues were exposed to fluctuation in the price of these metals.

Adoption of New or Amended Accounting Policies

There have been no new material accounting standards or amendments to accounting standards, effective June 30, 2021 which the Company has adopted.

Outstanding Share Data

The following table summarizes the capitalization of Catalyst as at March 31, 2021.

	Exercise price	Expiry date	Quantity
Number of ordinary shares issued			
Ordinary shares	Not applicable	Not applicable	174,684,823
Number of ordinary shares issuable			
Performance Rights	Not applicable	September 30, 2026	2,500,000
Options	\$3.00	November 30, 2024	250,000
			177,434,823

Risks and Uncertainties

The Company's business, being the acquisition, exploration, and development of mineral properties in Australia, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones below, could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Company. See the cautionary notes in this regard, with respect to forward-looking statements, above in this MD&A. The reader should carefully consider these risks as well as the information disclosed in the management information circular to which this MD&A is attached, as well as other publicly filed disclosure regarding the Company, which are available on the Company's website at <https://catalystmetals.com.au/investor-relations>.

Funding risks and capital requirements

Catalyst's future capital requirements will depend on a number of factors including (without limitation) further acquisitions, integration costs, divestments and commodity prices. Catalyst may be required to seek additional financing (either in the form of debt or equity) and there is no guarantee that the Catalyst will be able to secure the required level of funding. Any debt financing, if available, may involve restrictions on the Catalyst's financing and operating activities, or its business strategy and additional equity financing may dilute shareholders and may be undertaken at lower prices than the current market price. No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Catalyst or at all. If the Catalyst is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on Catalyst's operations and financial position.

Exploration and development risks

The business of mineral exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. There is no guarantee of development of any of Catalyst's projects. Ultimate and continuous success of activities is dependent on many factors such as, without limitation: (i) the discovery and/or acquisition of economically recoverable reserves; (ii) access to adequate capital for project development; (iii) design and construction of efficient development and production infrastructure within capital expenditure budgets; (iv) securing and maintaining title to tenements; (v) obtaining regulatory consents and approvals necessary for the conduct of mineral exploration, development and production; (vi) securing plant and equipment, particularly given equipment utilisation rates are high in the current period of Western Australian exploration/production activity, hence competition for such equipment may also be high; and (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Even a combination of experience, knowledge and careful evaluation may not be able to overcome the inherent risks associated with exploring prospective tenements. There can be no assurance that exploration of the tenements (or any other tenements that may be acquired in the future), will result in the development of economically viable deposits of gold or other minerals. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of Catalyst's projects, a reduction in the cash reserves of Catalyst and possible relinquishment of part or all of its projects.

Operating risk

Catalyst's assets and mining operations, as any others, will be subject to uncertainty with respect to (among other things): ore tonnes, mine grade, ground conditions, metallurgical recovery or unanticipated metallurgical issues (which may affect extraction costs), infill resource drilling, mill performance, the level of experience of the workforce, operational environment, funding for development, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment, storms, floods, bushfires or other natural disasters.

The occurrence of any of these circumstances could result in Catalyst not realising its operational or development plans, or plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on Catalyst's financial and operational performance.

Potential acquisitions and associated risks

Catalyst continues to receive and be engaged in approaches from third parties in relation to potential acquisitions, mergers and investment opportunities. Catalyst has a history of such transactions in the pursuit of growth and increasing shareholder value.

The Catalyst directors presently expect acquisition and merger activity to form an increasing aspect of Catalyst's strategy to increase shareholder returns in the future. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of resource projects, including due diligence risks, execution risks (including the incurrence of potentially significant transaction costs), dilution risks (where equity is used to fund the acquisition) or credit risks (where debt is used).

Commodity price risk and exchange rate risk

Catalyst earns revenue from the sale of mineral products. In such circumstance, its revenue may be closely related to the price and arrangements it enters into for selling of its products. Product prices fluctuate and are affected by factors including the relationship between global supply and demand for gold, forward selling by producers, the cost of production and general global economic conditions. Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand issues. These factors may have an adverse effect on Catalyst's exploration, development and production activities as well as its ability to fund those activities.

Reliance on key personnel

Catalyst's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. The loss of the services of one or more of such key management personnel could have an adverse effect on Catalyst. Catalyst ability to manage its exploration and development activities, and hence its success, will depend in large part on the efforts of these individuals. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

Environmental liabilities risk

Catalyst's activities are subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration) is not generally available to Catalyst (or to other companies in the minerals industry) at a reasonable price. To the extent that Catalyst becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to Catalyst and could have a material adverse effect on Catalyst. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

Litigation risk

Catalyst will be exposed to possible litigation risks including native title claims, tenure disputes, disputes in relation to the interpretation of royalty agreements or other contractual entitlements, environmental claims, occupational health and safety claims and employee claims. Further, Catalyst may be involved in disputes with other parties now or in the future which may result in litigation or other forms of dispute resolution procedure. Any such claim or dispute if proven, may impact adversely on Catalyst's operations, financial performance and financial position.

Unforeseen expenses

Catalyst may be subject to significant unforeseen expenses or actions. This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events.

Litigation

As at the date of this MD&A, Catalyst is not aware of any material disputes or litigation being undertaken. However, it is possible that Catalyst may be involved in disputes and litigation in the course of its future operations. There is a risk that any material or costly dispute or litigation and compensation or damages could adversely impact the financial position or performance of Catalyst.

Catalyst Metals Limited

Management Discussion & Analysis

For the Twelve Months Ended 30 June 2022

(Expressed in Australian Dollars, except where otherwise indicated)

Notes

This Management's Discussion and Analysis ("MD&A") dated May 14, 2023 reflects the assessment by management of the results and financial condition of Catalyst Metals Limited (the "Company" or "Catalyst") and should be read in conjunction with Catalyst's audited financial statements and related notes for the twelve months ended June 30, 2022 ("financial statements") which are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). All dollar figures stated herein are expressed in thousands of Australian dollars ("AUD"), except for per share or per ounce amounts or unless otherwise specified. The Company's public filings can be viewed on the ASX website (www.asx.com.au) and on the Company's website (www.catalystmetals.com.au).

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. See also, the risk factors referred to at the end of this MD&A.

John McKinstry, an employee of the Company and a "qualified person" within the meaning of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101") has reviewed and approved the scientific and technical information in this MD&A.

Description of the Business

Catalyst is an Australian based and listed gold producer and explorer. Catalyst controls three gold belts in Australia, as part of a multi asset strategy. The three pillars of Catalyst's current strategy are as follows:

- in Western Australia, Catalyst owns the Marymia Gold Project located approximately 300 kilometres northeast of Meekatharra in the mid-west region of Western Australia, at the northern end of the Eastern Gold Fields Province. These assets were acquired in March 2023, following the successful off-market takeover of Vango Mining Limited;
- in Victoria, Catalyst holds a significant landholding with a large, contiguous dominant tenement package covering 75 kilometres of strike length immediately north of the proven +22Moz Bendigo Goldfields and near Agnico Eagle's high grade Fosterville gold mine; and
- in Tasmania, Catalyst owns a strategic tenement package covering 25 kilometres of strike length of the under explored Henty fault and operates the high-grade Henty Gold Mine which has produced 1.4Moz of gold at a head grade of 8.9 g/t gold.

Catalyst has an interests in two retention licences (RL's) and thirteen exploration licences (EL's) over the Whitelaw Gold Belt and similar geological terranes both to the east and to the west (Figure 1). These licences total some 2,246 square kilometres in area.

Full Year Highlights

During the year ended June 30, 2022, the Australian dollar gold price increased by approximately 3.3% which provided support to Catalyst's revenues. By June 30, 2022, inflation in the Australian economy had increased to 6.1%¹. In Victoria, being an employer of few personnel and limited contractors, with the majority of expenditure being that of drilling consumables related to exploration activities, the inflationary impact was less severe than at Henty, where inflationary pressures were noticed across the site and departments.

¹ www.abs.gov.au

Catalyst continued to experience challenges related to COVID-19 as absenteeism remained a challenge at Henty, impacting operations. In the latter half of the year these challenges on the Catalyst workforce in both Tasmania and Victoria eased as restrictions on interstate travel were lifted during the year. This assisted Catalyst in accessing skilled miners in Tasmania as fly in / fly out workers returned to the state.

At Henty, operations continued to improve throughout the year with throughput increasing to an annualised rate of 230,000tpa, up from 170,000tpa in the previous period. For the year ended June 30, 2022 gold production at Henty, under a full year of Catalyst ownership, was 25,199oz, compared to an annualized production rate of 23,240oz for the prior year under Catalyst ownership.

Catalyst achieved a 47% increase in its mining rate, compared to the previous period under Catalyst ownership. In the year ended June 30, 2022, Catalyst mined 223,745t of ore compared to an annualized production rate of 151,836 In the previous year. This improved mining performance at Henty was supported by a significant increase in the rate of lateral development and diamond drilling. This investment helped to support stoping flexibility and contingency planning by releasing alternative ore sources.

During the year the Company announced changes to its management team including the appointment of Valentine Utete as General Manager of its Henty gold mine. Mr. Utete is a mining engineer with over 25 years' experience in the mining industry, predominantly in underground metalliferous mining. He has previously held positions of Mining Manager at Aeris Resources' Triton Operations in NSW and General Manager of the Nifty Copper mine in Western Australia. Catalyst also announced that Mr. James Champion de Crespigny would join the board of Catalyst as a non-executive director and that Mr. Schwab would be retiring from the board at the next annual general meeting. On November 12, 2021 Mr. Champion de Crespigny formally joined the board and in addition to his directorship would provide consultancy services for Catalyst.

Catalyst's exploration activities progressed across its asset portfolio. During the year Catalyst announced a number of high-grade intercepts from drilling activities at its Henty mine. Some of these were in close proximity to existing underground mine infrastructure such as Darwin North which included drill intercepts of 12.5m at 15.5g/t Au and 8.9m at 24.9g/t Au. This is encouraging as the existing infrastructure will allow for low-cost conversion. Other intercepts were identified in historically underexplored areas, including the Cradle Zone and Darwin South which included drill intercepts of 13.7m at 5.3g/t Au and 9.8m at 11.1g/t Au². These results are important as they represent potentially attractive future mining zones.

In Victoria, the Company completed just over 50,000m of drilling across its exploration projects. Unfortunately, the impact of COVID-19 hampered access to drill rigs and prevented key personnel from getting to Bendigo. This negatively impacted drilling progress during the financial year. Despite this there were encouraging results from the Bendigo exploration season including at Hayanmi, where high-grade mineralisation was intersected on the previously undrilled western fault including (3.0m at 59.0g/t Au, 6.0m at 82.7g/t Au and 3.0m at 9.7g/t Au³). This demonstrates the right conditions for mineralisation at depth beneath the already known high grade mineralisation. These xtesnions are typical of Bendigo style mineralization and support Catalyst's exploration thesis that its tenements have the potential to hist extensions of the Bendigo goldfields. Nonetheless, the drilling did prove successful in increasing the known mineralisation in close proximity to Boyd's Dam. This is an important milestone as this concentration of mineralisation alters the economics of any future operation that may exist, as it will allow ore to be sourced from multiple high-grade areas in close proximity to one another i.e. Boyd's Dam, Hayanmi, Pickles, Cunneens and Boyd East.

In addition, at Tandarra, a single diamond drill hole at the Lawry prospect returned a gold intersection 12.9m @ 33.1g/t Au from 66.4m, and including 0.5m @ 831g/t⁴. Catalyst considers that an infill drill program is now warranted at Lawry, which sits within 1.4 kilometres from the main Tomorrow Prospect (and which has a Resource pending).

During the year ended June 30, 2022, Catalyst released its maiden Henty Mineral Resource Estimate of 2.5 million tonnes at 4.5g/t Au for 357,400 ounces of gold⁵. This represented an increase of 13% (including gold production) compared to the previous resource.

At the Four Eagles Gold Project, the Company announced that studies had commenced to evaluate the concept of an underground exploration tunnel. This is an important development for the project which would allow Catalyst to more accurately drill targets, lower drilling costs and allow exploration of other nearby prospects. The drilling to date has been from surface and is now at a point where the Company is confident that a Mineral Resource will be estimated in the coming financial year. The Company has

² See the Company's ASX Announcement of April 21, 2022.

³ See the Company's ASX Announcement of July 29, 2022.

⁴ See the Company's ASX Announcement of May 17, 2022.

⁵ See the Company's ASX Announcement of October 5, 2021.

engaged industry leading consultants and conducted extensive community and stakeholder consultation as it works towards the submission of the underground exploration tunnel Work Plan with the Victorian Government. Impact of COVID-19 and Labour Market

On March 11, 2020, the World Health Organization declared a global pandemic related to COVID-19 ("Covid").

During the year ended June 30, 2022, the significant impact on the Catalyst workforce in both Tasmania and Victoria eased, relative to the previous period. Restrictions related to interstate travel were lifted during the year ended June 30, 2022 which assisted Catalyst in accessing skilled miners in Tasmania as fly in / fly out workers returned to the state.

During the year ended June 30, 2022, the Company continued to test site-based employees for COVID-19. Catalyst provided remote working options for employees affected by COVID-19. The Company continued to closely monitor all developments regarding COVID-19 to ensure a safe working environment for its employees, contractors and stakeholders. The Company encouraged all employees to obtain vaccinations, however, relied on Australia's broader government policies which encouraged citizens to obtain vaccinations.

Key Business Developments

The Four Eagles project north of Bendigo in Victoria has been the subject of extensive exploration by Catalyst and its 50% joint venture partner Gold Exploration Victoria (a subsidiary of Hancock Prospecting). The company has well developed targets and is working towards producing Resource statements.

The Company commenced studies to evaluate the concept of an underground exploration tunnel at Four Eagles. This is an important development for the project which would allow Catalyst to more accurately drill targets, lower drilling costs and allow exploration of other nearby prospects. The drilling to date has been from surface and is now at a point where the Company is confident that a Mineral Resource will be estimated in the coming financial year.

At Henty, operations continued to improve throughout the year with throughput increasing to an annualised rate of 230,000tpa and gold production of 25,199oz for the year. During the year a number of high-grade intercepts from drilling activities were announced. Importantly, some of this success was in historically underexplored areas, including the Cradle Zone and Darwin South, which represent potentially attractive future mining zones.

Year-to-date Performance Summary

12 Months to June 30, 2022

During the year ended June 30, 2022, the Australian dollar gold price increased by approximately 3.3% which provided support to Catalyst's revenues. By June 30, 2022, inflation in the Australian economy had increased to 6.1%⁶. In Victoria, being an employer of few personnel and limited contractors, with the majority of expenditure being that of drilling consumables related to exploration activities, the inflationary impact was less severe than at Henty, where inflationary pressures were noticed across the site and departments.

Gold produced in FY22 was 25,199 ounces of gold at a C1 cash cost and AISC of \$1,706/oz and \$2,207/oz per ounce respectively. Revenue from the Henty Gold Mine operations was \$63.3 million and after royalties, refining and operating costs, an EBITDA of \$10.3 million was reported.

In the twelve months to 30 June 2022, Henty mined 223,745t of ore at an average grade of 4.0g/t. This was significantly improved from the prior year, owing to the increased ownership period (5 months in 2021 compared to 12 months in 2022).

Processed ore totaled 215,514t at an average head grade of 3.9g/t. 25,199 ounces of gold was produced with an average recovery of 92.3%. In addition to gold production, 21,462 ounces of silver was produced and sold with a realized silver price of A\$32 per ounce.

⁶ www.abs.gov.au

Catalyst views the Henty Mine as an exploration target as much a mine. During FY22 the Company reinvested \$4.8M in underground and surface drilling to better define Resources, expand Resources and look for new Resources.

The Company is subject to a number of risks and uncertainties which are inherent in mineral exploration and mining operations. These include but are not limited to commodity price exposure, exchange rate risk, exploration risk, operating risk and others which are discussed further in this MD&A. Management is not aware of any events or commitments of the Company, that they are aware of, and that exist at the time of this MD&A which could materially affect the company's future performance and financial performance.

Summary of operational results

	12 months to 30 June 2022	12 months to 30 June 2021 ⁷	12 months to 30 June 2020
Total Mined (t)	361,099	158,112	-
Ore Mined (t)	223,745	75,918	-
Mine Grade (g/t)	4.0	5.2	-
Processed (t)	215,504	75,838	-
Average Head Grade (g/t)	3.9	5.1	-
Recovery Gold (%)	92.3	94.4	-
Gold Produced (oz)	25,199	11,620	-
Gold Sold (oz)	24,771	11,676	-
Gold Price Realised (\$/oz)	2,528	2,315	-
Cash Cost (\$/oz)	1,705	1,507	-
AISC (\$/oz)	2,218	1,732	-
Silver Sold (oz)	21,462	8,242	-
Silver Price Realised (\$/oz)	32.3	34.4	-

Exploration Activities

At Henty, a large portion of the drilling was either grade control or resource growth, due to the limited drilling done previously and the short time span to production. In FY23 the focus will progressively shift in favour of more Resource growth and to a majority of exploration drilling. Exploration drilling is focused on finding new orebodies to further boost production.

In Bendigo key activities across the project included:

At the Four Eagles Gold Project a systematic drill-out of the Boyd's Dam mineralisation during the year will now allow reinterpretation of the geology and the creation of a block model for delivering a JORC compliant Resource in FY23. At Hayanmi, focus shifted to the northern section of the prospect where a systematic drill out has commenced with the aim of proceeding to a Resource in 2023. An application seeking permission to create an underground access tunnel for diamond drilling was prepared during the year, with the aim of submitting in the new year. The tunnel at around 140m below surface will run parallel with Boyd's Dam and Hayanmi providing year-round access to cheaper more efficient drilling.

At the Tandarra Gold Project drill rigs budgeted for Tandarra were not available due to the limited seasonal window at Tandarra forcing the delay of the planned Resource drill out. The drill-out has been deferred to the new financial year.

At the Drummartin Project air core and diamond drilling was conducted on Target 9 prospect. In June 2022, partners St Barbara Mining, who were managing the program to earn 50% interest in the joint venture, advised they would not proceed further due to other corporate priorities. The interest reverts back to Catalyst along with all information gathered since February 2020. The information arising from St Barbara Mining's \$2.2m works programme undertaken since February 2020 reverts to Catalyst.

⁷ Catalyst acquired Henty in January 2021. Results represent production for approximately 5 months.

At the Boort Project air core drilling and assaying has been completed at four gravity geophysics targets resulting in anomalous gold intersections at BTG02. Further follow up drilling is planned. Encouragingly, 3m at 18.25 g/t Au from 0.6m at 0.95 g/t Au were intersected in this first exploration campaign.

At the Golden Camel Project diamond drilling completed on depth extension target at the Golden Camel pit, with interpretation ongoing. Across Catalyst's other exploration projects air core drilling was carried out on the Mologa lease (EL006859) immediately to the east of Four Eagles, with interpretation ongoing. Also, ground-based magnetic geophysics and geochemical soil sampling programs have been completed on a number of leases during the year, with results showing good potential for ongoing target generation.

Significant drilling results at Bendigo

Four Eagles⁸

9m @ 29.09g/t Au
3m @ 25.24g/t Au
8m @ 6.72g/t Au
1m @ 49.1g/t Au
7m @ 2.15g/t Au
16m @ 1.37g/t Au
14m @ 1.16g/t Au
9m @ 1.37g/t Au
5m @ 2.02g/t Au

Tandarra⁹

0.9m @ 1.76g/t Au from 61.9m
12.9m @ 33.1g/t Au from 66.4m (including 0.5m @ 831g/t Au)
1.6m @ 0.5g/t Au from 122.8m
1.0m @ 2.5g/t Au from 153.5
0.7m @ 0.5g/t Au from 158.5m
1.0m @ 1.2g/t Au from 173.4
1.0m @ 1.32g/t Au from 226.6m

Outlook

Catalyst has prepared a Work Plan on behalf of the JV partners for submission to the Victorian government regulators seeking permission to develop a 3.4Km tunnel at Four Eagles. The tunnel will commence at the northern end of Boyd's North and run parallel with Boyd's Dam and Hayanmi, at a depth of approximately 140m. The tunnel will be used as a drilling platform for completing Resource drillouts on Boyd's Dam, Boyd's North and Hayanmi but will also provide the platform for deeper exploration drilling which has proved difficult from surface. The underground platform provides year-round access, minimises the impact on cropping fields and provides minimal visual impact on surface. Approval is anticipated in early/mid 2023 with an investment decision to be made mid-year for a spring start on development.

At Henty, the Board approved a drilling capital budget of \$7.0M for growth of Resources and exploration. The FY23 drilling will focus on the newly identified Cradle Zone, deeper extensions at Darwin South and the near surface Collar Zone. The addition of an additional mining crew at Henty will enable the site to exploit upper areas of the mine which had previously been excluded from the mining plan. The crew is expected to use equipment already owned by the mine, providing additional ore at incremental cost. The additional ore enables the production rate to increase from the current 25,000ozpa to a 35,000ozpa rate by July 2023. Going forward the operation will seek opportunities to further increase the production rate through exploration efforts.

The Company's expectations and business strategy are subject a number of risks and uncertainties which are inherent in mineral exploration and mining operations, and accordingly, there can be no assurance that the Company will achieve its anticipated

⁸ See the Company's ASX Announcement of July 29, 2022.

⁹ See the Company's ASX Announcement of May 17, 2022.

business objectives and milestones, as contemplated and within the timelines contemplated, or at all. See also, the risk factors referred to at the end of this MD&A.

Summary of Financial Results

<i>A\$'000</i>	Twelve month period ended June 30, 2022	Twelve month period ended June 30, 2021 ¹⁰	Twelve month period ended June 30, 2020
Revenue	68,935	29,378	1,037
Net income (loss)	2,091	935	(1,746)
Earnings (loss) per share – basic and diluted	0.02	0.01	(2.2)
	As at June 30, 2022	As at June 30, 2021	As at June 30, 2020
Cash and cash equivalents	18,243	30,518	18,598
Non-current assets	49,159	42,574	5,654
Total assets	79,539	82,807	24,253
Current liabilities	17,256	23,692	1,568
Non-current liabilities	4,562	3,933	-

Results of Operations

The financial statements are presented in Australian dollars, which is Catalyst's functional currency.

Operating Income (Loss)

Catalyst recorded an operating profit in the 12 months to June 30, 2022 of \$2,091, an increase of \$1,156 compared to the restated profit in the prior period of \$934. The improved operating result is attributable to increased production (owing to a full 12 months of ownership of Henty, compared to 5 months in the prior period) and a higher gold price. Henty's operational performance offset losses across the remainder of Catalyst's business which is non-income producing.

Revenues

During the twelve months ended June 30, 2022 metal sales totaled \$63,330 from the sale of 25,199 ounces of gold and 21,462 ounces of silver at a realized price of \$2,529/ounce and \$32/ounce respectively. Metallurgical recoveries of 92% were achieved for the period, slightly lower than 2021 recoveries of 94% but significantly improved under Catalyst ownership.

In the prior period where Catalyst owned Henty for a period of 5 months metal sales totaled \$28,509 from the sale of 11,676 ounces of gold and 8,242 ounces of silver at a realized price of \$2,315/ounce and \$34/ounce respectively.

Cost of sales

<i>A\$'000</i>	Twelve-month period ended June 30, 2022 2022	Twelve-month period ended June 30, 2021 ¹¹ 2021	Twelve-month period ended June 30, 2020 2020
Mining and processing costs	(30,945)	(9,952)	-
Depreciation and amortisation	(10,343)	(5,157)	(20)
Royalties	(3,675)	(2,177)	-
General and administrative	(4,417)	(2,125)	(807)
Employee benefits expense	(14,677)	(4,809)	(612)

¹⁰ 2021 financial statements were restated following the finalisation of business combination accounting for Henty

¹¹ 2021 financial statements were restated following the finalisation of business combination accounting for Henty

Cost of Sales	(64,057)	(24,220)	(1,439)
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Cost of Sales were \$64,057 for the twelve months ended June 30, 2022, an increase of \$39,837 from \$24,220 for the twelve months ended June 30, 2021. Cost of sales includes mine production costs, processing costs, site services, royalties, depreciation and amortization, and corporate costs. The increase in Cost of Sales in the current period versus the same period in 2021 is primarily due to the twelve months of operations at Henty compared to the 5 months in 2021.

General and administrative

General and administrative expenses in the twelve months ended June 30, 2021, were \$4,417, significantly higher than expenses incurred in the twelve months ended June 30, 2021 of \$2,125. The increase in costs is primarily due to the twelve months of operations at Henty compared to the 5 months in 2021.

Other Expenses

Employee benefits expenses in the twelve months ended June 30, 2022, were \$14,677, significantly higher than expenses incurred in the twelve months ended June 30, 2021 of \$4,809. The increase in costs is primarily attributable to the acquisition of Henty, however, additional employment of staff in the corporate office also contributed to corporate personnel expenses increasing. The additional corporate employee expense was considered appropriate in order for Catalyst to pursue additional growth strategies, including M&A.

Net income for the period

Total net income of \$2,091 for the twelve months ended June 30, 2022, was achieved by Catalyst, an increase of \$1,157 compared to the restated operating profit of \$934 in the prior period. Revenue from the Henty Gold Mine operations was \$63.3 million and after royalties, refining and operating costs, an EBITDA of \$10.3 million was reported. in the year end June 30, 2022. Exploration expenditure across Bendigo and Henty of \$2,787 was incurred in the twelve months ended June 30, 2022.

Financial Position as at June 30, 2021

As at June 30, 2022, the Company's current assets totaled \$30,380 and current liabilities amounted to \$17,256, for a net working capital surplus of \$13,124. The majority of current assets are cash and cash equivalents of \$18,243 and inventories of \$5,705. The decrease from a working capital surplus of \$16,541 as at December 31, 2021, was predominantly the result of a lower cash balance following significant capital investment in grade control, development drilling and exploration drilling during the year. During the year, the Company also paid the final deferred consideration payments relating to the acquisition of Henty.

Non-current assets increased significantly by \$6,585 from June 30, 2021. This was primarily a reflection of capitalized exploration expenditure at Henty. Increases in non-current assets included \$1,679 in mining development assets, reflecting capitalized underground development at Henty, and \$6,075 of capitalized exploration expenditure across Bendigo exploration and Henty.

Current liabilities decreased by \$6,437 to \$17,256 predominantly as a result of the final deferred consideration payments of \$5,205 for Henty being made. \$363 of the increase in current liabilities is due to higher accounts payable balances, reflecting stable working capital requirements Henty. An increase of \$707 in current lease liabilities was recognized, reflecting equipment finance leases for operating equipment at Henty.

Non-current liabilities increased by \$630 almost exclusively relating to the recognition of long-term employee entitlements such as long service leave. There was a small increase of \$25 relating to the rehabilitation provision.

Equity consisted of contributed equity of \$73,238, an increase of \$326 from the issuance of ordinary shares to Directors, consultants and the exercise of listed options.

Cash flow

Operating Activities

Cash provided by operating activities for the twelve months ended June 30, 2022, totaled \$6,991, compared to 10,909 in 2021. The decrease in cash flows was primarily attributable to a full 12 months of operations at Henty compared to the 5 months in 2021.

Investing Activities

Cash used by investing activities for the twelve months ended June 30, 2022, totaled \$20,797 compared with \$23,574 in 2021. In the year ended June 30, 2022, this outflow was primarily attributable to the deferred acquisition costs of Henty. In addition to Henty costs, exploration expenditure across the Bendigo assets was reflected in investing cashflows.

Financing Activities

Cash provided by financing activities was \$1,530 for the twelve months ended June 30, 2022, compared with \$24,849 in 2021. In the year ended June 30, 2021, the inflow was primarily attributable to \$25,082 raised from private placements and share placement plans with shareholders. In the year ended June 30, 2022, \$9,019 was received from joint venture partners for exploration activities across the Bendigo portfolio and \$7,720 in joint venture exploration expenditure was incurred, for a net \$1,299 held on account for joint venture activities.

In management's view, Catalyst has sufficient financial resources to fund the operations, planned exploration programs and ongoing operating expenses. As of June 30, 2022 Catalyst had cash of \$18,243, compared to \$33,518 as at June 30, 2021. Catalyst expects to reduce its reliance on raising equity or other capital and re-invest the cashflows generated by Henty into its broader exploration portfolio.

Dividends

Catalyst has neither declared nor paid any dividends on its Ordinary Shares. Catalyst intends to retain its earnings, if any, to finance growth and expand its operations and does not have any immediate plans to pay any dividends on its Ordinary Shares.

Liquidity and Capital Resources

In management's view, Catalyst has sufficient financial resources to fund the operations, planned exploration programs and ongoing operating expenses. As of June 30, 2022 Catalyst had cash of \$18,243, compared to \$33,518 as at June 30, 2021. Catalyst expects to reduce its reliance on raising equity or other capital and re-invest the cashflows generated by Henty into its broader exploration portfolio.

The Company is subject to risks and challenges similar to other companies in a comparable stage of operation, exploration and development. These risks include, but are not limited to, losses, successfully raising cash flows through debt or equity markets and the successful operation and development of its mineral property interests to satisfy its commitments and continue as a going concern.

Catalyst expects that its existing cash at June 30, 2022 together with cash from operations will be sufficient to fund cash requirements in the ordinary course of business for the next twelve-month period. However, the Company's liquidity position is sensitive to a number of variables which cannot be predicted with certainty, including, but not limited to, meeting gold production targets, gold prices, foreign exchange rates, operational costs and capital expenditures. If the Company's cash and cash flow from operations is not sufficient to satisfy its requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or available on terms acceptable to the Company. The consolidated financial statements do not include adjustments to the carrying values of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern. These adjustments may be material.

The Company may require the issuance of equity or other forms of financing to complete or accelerate programs associated with any future development and exploration initiatives that are not contemplated in its current life of mine plan. Catalyst's ability to

raise equity and other forms of financing in the future under terms acceptable to the Company will be dependent on operating performance and on global markets, in particular, the price of gold and currency exchange rates.

The Company's revenues, operating results and cash inflows are highly dependent on the availability of labour for the Henty Gold Mine, which are affected by the challenging labour conditions on the west coast of Tasmania. Obtaining appropriately skilled personnel, including external service providers, has been compounded by the impact of absenteeism in the workforce as a result of COVID-19.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

In the year ended June 30, 2022, the company had the following arrangements with related parties. All transactions were made on normal commercial terms and conditions and at market rates.

1. Mr Boston is a Director of Raisemetrex Pty Ltd which was paid \$60,000 by the Company to provide an online platform for the administration of capital raisings and electronic communications with shareholders.

Proposed Transactions

The Company routinely evaluates various business development opportunities which could entail optioning properties, direct acquisitions, trades and/or divestitures. In this regard, subsequent to the financial year ended June 30, 2022, and specifically on February 22, 2023, the Company entered into an arrangement with Superior Gold Inc., to complete a statutory plan of arrangement transaction that will result in Catalyst acquiring 100% of Superior's Plutonic Gold Operations, located in central Western Australia. Under the terms of the transaction, common shareholders of Superior Gold Inc. will receive 0.3571 of one ordinary share of Catalyst (each whole share, a "Catalyst Share") for each Superior common share ("Superior Share") held. Upon completion of the proposed transaction, existing Catalyst shareholders and former Superior Gold Inc. shareholders will hold an ownership interest in Catalyst, as the combined company. There can be no assurances that the proposed transaction will be concluded as contemplated, or at all.

If the transaction is successful, Catalyst will become the owner of the Plutonic Gold Operations and acquire all of the associated asset and liabilities of Superior Gold Inc.. The Plutonic Gold Operations include the Plutonic Gold Mine (which is a producing underground mine with additional surface operations), the Hermes Gold Mine (which includes open pits at Hermes and interests in tenements within the Bryah Basin joint venture ("BBJV") ranging from 70%-80%), and a central mill (located at the Plutonic Gold Mine). Catalyst is expected to issue approximately 44.7 million Catalyst shares to Superior shareholders as part of the transaction resulting in there being approximately 219 million Catalyst shares issued and outstanding upon completion of the transaction. Further details of the transaction and detailed pro-forma financial statements for Catalyst (as constituted upon completion of the transaction) have been prepared as part of, and included in, the management information circular of Superior Gold Inc. within which this MD&A is included.

Commitments & Contingencies

Commitments contracted at the end of the reporting period not recognized as liabilities are as follows:

<i>A\$'000</i>	June 30, 2022	June 30, 2021	June 30, 2020
Tenement commitments (no later than 1 year)	1,527	1,462	1,452
Later than 1 year but not later than 5 years	1,149	-	-
Contingent consideration	-	5,000	-
	2,676	6,462	1,452

As part of the transaction with Vango completed in March 2023, Catalyst entered into a binding term sheet with Collins Street Value Fund which was subject to shareholder approval. Under the term sheet, Collins Street Value Fund agreed to roll over their convertible note held with Vango into Catalyst, should Catalyst be successful in acquiring 100% of Vango Shares. The face value

of the notes to be issued was A\$9.075m with a maturity date of 31 March 2024. The conversion price of the note is A\$1.47 representing a 20% premium to the 30 day volume weighted average price of Catalyst's shares prior to the date of Vango takeover announcement (10 January 2023). Based on the conversion price, Catalyst will be obliged to issue 6,163,407 ordinary shares of Catalyst to Collins Street, if converted. An additional A\$2.5m is available to Catalyst to draw down, on the same terms.

Critical Accounting Policies and the Use of Estimates

The discussion and analysis of Catalyst's financial condition and results of operations are based upon its financial statements which have been prepared in accordance with IFRS. The preparation of financial statements requires the Company to make estimates and judgements that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates under different assumptions.

The impact of financial instruments and areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are summarized below. Catalyst's accounting policies are discussed in more detail in the Company's audited annual financial statements for the year ended June 30, 2022, which are included in the management information circular of Superior Gold Inc. within which this MD&A is included and also available on the ASX website (www.asx.com.au) and on the Company's website (www.catalystmetals.com.au).

Exploration and evaluation costs

The application of the Company's accounting policy for exploration and evaluation necessarily requires management to make certain estimates and assumptions as to future events and circumstances, in particular the assessment of whether economic quantities of reserves may be found. Any such estimates and assumptions may change as new information becomes available.

Unit-of-production method of depreciation/amortisation

The Company uses the unit-of-production basis when depreciating/amortising life of mine specific assets which results in a depreciation/amortisation charge proportionate to the depletion of the anticipated remaining life of mine production. Each asset's economic life, which is assessed annually, has due regard for both its physical life limitations and to present assessments of economically recoverable mine plan of the mine property at which it is located. These calculations require the use of estimates and assumptions.

Inventories

Net realisable value tests are performed at each reporting date and represent the estimated forecast sales price of the gold when it's expected to be realised, less estimated costs to complete production and bring the product to sale. Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained gold ounces based on assay data, and the estimated recovery percentage. Stockpile tonnages are verified by periodic surveys.

Rehabilitation provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired. The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss. On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities

assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date. Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss. Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Financial Instruments

Catalyst's significant accounting policies regarding its financial instruments are set out in below and also in its audited consolidated financial statements for the year ended June 30, 2022.

Recognition and Initial Measurement

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and are solely principal and interest. All other financial instrument assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income. Financial assets may be impaired based on an expected credit loss model to recognise an allowance. Such impairment is measured with a 12-month expected credit loss model unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime expected credit loss model is adopted. For financial liabilities, the portion of the change in fair value that relates to the Company's credit risk is presented in other comprehensive income.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Interest rate risks

The Company's exposure to the risks of changes in market interest rates relates primarily to the Company's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Company to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing or fixed rate. The Company does not engage in any hedging or derivative transactions to manage interest rate risk.

Interest rate sensitivity

At 30 June 2022, if interest rates had changed by 100 basis points during the entire year with all other variables held constant, profit for the year and equity would have been \$227,302 (2021: \$324,911) lower/higher, mainly as a result of lower/higher interest income from cash and cash equivalents. A sensitivity of 100 basis points has been selected as this is considered reasonably possible in the current economic environment. Based on the sensitivity analysis only interest revenue from variable rate deposits and cash balances are impacted resulting in a decrease or increase in overall income.

Credit risk

The maximum exposure to credit risk at balance date is the carrying amount (net of provision of doubtful debts) of those assets as disclosed in the balance sheet and notes to the financial statements. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Liquidity risk

The responsibility for liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments.

Price risk

The consolidated entity is exposed to commodity price risk arises from gold and other metals held as sales. The policy of the consolidated entity is to sell gold and other metals at the spot price and it has not entered into any hedging contracts. The consolidated entity's revenues were exposed to fluctuation in the price of these metals. If the average selling price of gold of \$2,529/oz (2021: \$2,315/oz) for the financial year had increased/decreased by 10% the change in the profit before income tax for the consolidated group would have been an increase /decrease of \$5,965,581 (2021: \$2,633,220). Adoption of New or Amended Accounting Policies

There have been no new material accounting standards or amendments to accounting standards, effective June 30, 2021 which the Company has adopted.

Outstanding Share Data

The following table summarizes the capitalization of Catalyst as at June 30, 2022.

	Exercise price	Expiry date	Quantity
Number of ordinary shares issued			
Ordinary shares	Not applicable	Not applicable	98,456,148
Number of ordinary shares issuable			
Options	\$3.00	November 30, 2024	250,000
			98,706,148

Risks and Uncertainties

The Company's business, being the acquisition, exploration, and development of mineral properties in Australia, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones below, could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Company. See the cautionary notes in this regard, with respect to forward-looking statements, above in this MD&A. The reader should carefully consider these risks as well as the information disclosed in the management information circular to which this MD&A is attached, as well as other publicly filed disclosure regarding the Company, which are available on the Company's website at <https://catalystmetals.com.au/investor-relations>.

Funding risks and capital requirements

Catalyst's future capital requirements will depend on a number of factors including (without limitation) further acquisitions, integration costs, divestments and commodity prices. Catalyst may be required to seek additional financing (either in the form of debt or equity) and there is no guarantee that the Catalyst will be able to secure the required level of funding. Any debt financing, if available, may involve restrictions on the Catalyst's financing and operating activities, or its business strategy and additional equity financing may dilute shareholders and may be undertaken at lower prices than the current market price. No assurances can

be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Catalyst or at all. If the Catalyst is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on Catalyst's operations and financial position.

Exploration and development risks

The business of mineral exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. There is no guarantee of development of any of Catalyst's projects. Ultimate and continuous success of activities is dependent on many factors such as, without limitation: (i) the discovery and/or acquisition of economically recoverable reserves; (ii) access to adequate capital for project development; (iii) design and construction of efficient development and production infrastructure within capital expenditure budgets; (iv) securing and maintaining title to tenements; (v) obtaining regulatory consents and approvals necessary for the conduct of mineral exploration, development and production; (vi) securing plant and equipment, particularly given equipment utilisation rates are high in the current period of Western Australian exploration/production activity, hence competition for such equipment may also be high; and (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Even a combination of experience, knowledge and careful evaluation may not be able to overcome the inherent risks associated with exploring prospective tenements. There can be no assurance that exploration of the tenements (or any other tenements that may be acquired in the future), will result in the development of economically viable deposits of gold or other minerals. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of Catalyst's projects, a reduction in the cash reserves of Catalyst and possible relinquishment of part or all of its projects.

Operating risk

Catalyst's assets and mining operations, as any others, will be subject to uncertainty with respect to (among other things): ore tonnes, mine grade, ground conditions, metallurgical recovery or unanticipated metallurgical issues (which may affect extraction costs), infill resource drilling, mill performance, the level of experience of the workforce, operational environment, funding for development, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment, storms, floods, bushfires or other natural disasters.

The occurrence of any of these circumstances could result in Catalyst not realising its operational or development plans, or plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on Catalyst's financial and operational performance.

Potential acquisitions and associated risks

Catalyst continues to receive and be engaged in approaches from third parties in relation to potential acquisitions, mergers and investment opportunities. Catalyst has a history of such transactions in the pursuit of growth and increasing shareholder value. The Catalyst directors presently expect acquisition and merger activity to form an increasing aspect of Catalyst's strategy to increase shareholder returns in the future. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of resource projects, including due diligence risks, execution risks (including the incurrence of potentially significant transaction costs), dilution risks (where equity is used to fund the acquisition) or credit risks (where debt is used).

Commodity price risk and exchange rate risk

Catalyst earns revenue from the sale of mineral products. In such circumstance, its revenue may be closely related to the price and arrangements it enters into for selling of its products. Product prices fluctuate and are affected by factors including the relationship between global supply and demand for gold, forward selling by producers, the cost of production and general global economic conditions. Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand issues. These factors may have an adverse effect on Catalyst's exploration, development and production activities as well as its ability to fund those activities.

Reliance on key personnel

Catalyst's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. The loss of the services of one or more of such key management personnel could

have an adverse effect on Catalyst. Catalyst ability to manage its exploration and development activities, and hence its success, will depend in large part on the efforts of these individuals. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

Environmental liabilities risk

Catalyst's activities are subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration) is not generally available to Catalyst (or to other companies in the minerals industry) at a reasonable price. To the extent that Catalyst becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to Catalyst and could have a material adverse effect on Catalyst. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

Litigation risk

Catalyst will be exposed to possible litigation risks including native title claims, tenure disputes, disputes in relation to the interpretation of royalty agreements or other contractual entitlements, environmental claims, occupational health and safety claims and employee claims. Further, Catalyst may be involved in disputes with other parties now or in the future which may result in litigation or other forms of dispute resolution procedure. Any such claim or dispute if proven, may impact adversely on Catalyst's operations, financial performance and financial position.

Unforeseen expenses

Catalyst may be subject to significant unforeseen expenses or actions. This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events.

Litigation

As at the date of this MD&A, Catalyst is not aware of any material disputes or litigation being undertaken. However, it is possible that Catalyst may be involved in disputes and litigation in the course of its future operations. There is a risk that any material or costly dispute or litigation and compensation or damages could adversely impact the financial position or performance of Catalyst.

Catalyst Metals Limited

Management Discussion & Analysis

For the Twelve Months Ended 30 June 2021

(Expressed in Australian Dollars, except where otherwise indicated)

Notes

This Management's Discussion and Analysis ("MD&A") dated May 14, 2023, reflects the assessment by management of the results and financial condition of Catalyst Metals Limited (the "Company" or "Catalyst") and should be read in conjunction with Catalyst's audited financial statements and related notes for the twelve months ended June 30, 2021 ("financial statements") which are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). All dollar figures stated herein are expressed in thousands of Australian dollars ("AUD"), except for per share or per ounce amounts or unless otherwise specified. The Company's public filings can be viewed on the ASX website (www.asx.com.au) and on the Company's website (www.catalystmetals.com.au).

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. See also, the risk factors referred to at the end of this MD&A.

John McKinstry, an employee of the Company and a "qualified person" within the meaning of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101") has reviewed and approved the scientific and technical information in this MD&A.

Description of the Business

Catalyst is an Australian based and listed gold producer and explorer. Catalyst controls three gold belts in Australia, as part of a multi asset strategy. The three pillars of Catalyst's current strategy are as follows:

- in Western Australia, Catalyst owns the Marymia Gold Project located approximately 300 kilometres northeast of Meekatharra in the mid-west region of Western Australia, at the northern end of the Eastern Gold Fields Province. These assets were acquired in March 2023, following the successful off-market takeover of Vango Mining Limited;
- in Victoria, Catalyst holds a significant landholding with a large, contiguous dominant tenement package covering 75 kilometres of strike length immediately north of the proven +22Moz Bendigo Goldfields and near Agnico Eagle's high grade Fosterville gold mine; and
- in Tasmania, Catalyst owns a strategic tenement package covering 25 kilometres of strike length of the under explored Henty fault and operates the high-grade Henty Gold Mine which has produced 1.4Moz of gold at a head grade of 8.9 g/t gold.

Catalyst has an interests in two retention licences (RL's) and thirteen exploration licences (EL's) over the Whitelaw Gold Belt and similar geological terranes both to the east and to the west (Figure 1). These licences total some 2,246 square kilometres in area.

Full Year Highlights

During the year COVID-19, restrictions increased across Australia including restrictions on interstate travel. Catalyst experienced impacts to its workforce in both Tasmania and Victoria as these restrictions increased the challenge for Catalyst accessing skilled miners in Tasmania, which relies partly on fly in / fly out workers. Commodity prices remained robust during 2021 and Australia's mining and exploration industries benefitted from this. During the period of Henty ownership, the Australian dollar gold price increased by 4.4% which provided support to Catalyst's revenues. By June 30, 2021, quarterly inflation in the Australian economy had increased to 3.1%¹. In Victoria, being an employer of few personnel and limited contractors, with the majority of expenditure

¹ www.abs.gov.au

being that of drilling consumables related to exploration activities, the inflationary impact was less severe than at Henty, where inflationary pressures were noticed across the site and departments.

On December 21, 2020, Catalyst announced an approved A\$9 million exploration program on its Bendigo project, agreed to acquire 100% of the Henty Gold Mine, and announced a proposed A\$18 million raise through a single tranche issuance of approximately 8.6 million ordinary shares. The A\$18m equity financing closed on December 30, 2020, at a price of A\$2.10 per share. Argonaut Securities Pty Ltd acted as Lead Arranger. Funds raised were to be used towards funding the Henty gold mine acquisition, supporting major exploration campaigns across Catalyst's portfolio and for general working capital requirements.

Catalyst completed the acquisition of the Henty Gold Mine in Tasmania on January 20, 2021 by purchasing shares in Unity Mining Pty Ltd from Diversified Minerals Pty Ltd. The consideration for the acquisition consisted of A\$8 million in Catalyst Shares at A\$2.10 per share, an initial cash payment of A\$6 million and two deferred payments of A\$3 million each, six and twelve months after the acquisition. The deferred payments were made as required. The acquisition was important for Catalyst as it allowed Catalyst to transition from explorer to producer and execute on its business strategy for controlling gold belts.

On February 4, 2021, Catalyst raised A\$1.26 million at A\$2.10 through a private placement of 600,000 ordinary shares following further demand from shareholders after the December 2020 capital raise. Argonaut Securities Pty Ltd acted as Lead Arranger. Funds were used for ongoing growth initiatives including major exploration programs at the Four Eagles and Tandarra Gold projects in Victoria and the then-newly acquired Henty gold mine in Tasmania, as well as for general working capital.

In March 2021, the Company announced visible gold in deep structure and high grade gold mineralisation from diamond drilling at the Four Eagles Gold Project. Intersections of 1.25 metres @ 117.0g/t Au, 0.3 metres @ 22.5g/t Au and 0.3 metres @ 33.8g/t Au were reported.

On April 1, 2021, the Company announced the purchase of a 263 hectare block of freehold land on behalf of the 50%/50% joint venture between Catalyst and its partner Gold Exploration Victoria (a subsidiary of Hancock Prospecting Pty Ltd.). The land covers the Boyd's Dam gold zone as well as potential newly discovered gold zones to the east. Ownership is important as it allows the Joint Venture to carry out drilling throughout the year (subject to weather), as well as security of land title over any future gold project development.

Catalyst's exploration activities during the year returned encouraging results across its portfolio, including, at Tandarra, where high grade zones with visible gold from two diamond drill holes were identified at the Macnaughtan prospect. The drilling intersected visible gold and reporting grades of up to 412 g/t Au. At the nearby Lawry prospect, infill air-core drilling delivered 6 metres at 3.16g/t Au and 2 metres at 16.33g/t Au. Further drilling at Tandarra identified multiple gold structures at the from diamond drilling at the Tomorrow zone, extensions of gold mineralisation at Macnaughtan from air core drilling and enhancement of gold mineralisation at the then-recently discovered Lawry zone.

The Company also announced, in October 2020, that new zones of gold mineralisation with values of up to 43.5g/t Au had been intersected east of the Boyd's Dam trend which represented the discovery of a new mineralised structure. Further shallow high grade gold mineralisation was intersected at Boyd North. Further drill results later in the exploration program from Boyd's Dam returned intersections including (25 metres at 23g/t Au, 7 metres at 8.8g/t Au, 3 metres at 19.3g/t Au, 7 metres at 7.7g/t Au and 1 metre at 32g/t Au). The Company also initiated and received results from metallurgical test work for Boyd's Dam. The test work indicated that the material is non-refractory, 97% gold recovery was achieved by gravity concentration & direct cyanidation, 99% gold recovery could be obtained from a combined gravity & floatation concentrate and results enable a number of processing alternatives to be evaluated for Boyd's Dam.

In late November 2019, the Victorian Government announced that it would release four exploration blocks under a tender process. In February 2020, Catalyst lodged tender applications for three of these blocks in partnership with Hancock Prospecting Pty Ltd. The Victorian Government advised earlier in 2021 that evaluation of the tenders by an Independent Assessment Panel was underway and the Department of Jobs, Precincts and Regions will provide updates directly to proponents at key stages throughout the tender evaluation process. At the date of this MD&A, the Company has not received any further updates from the Victorian Government.

On 21 April 2021, the Company announced that the Henty Gold Mine had exceeded expectations by delivering positive operating cash flow and an estimated production forecast of 25,000 ounces of gold for calendar year 2021.

On 22 June 2021, the Company announced high grade gold intersections up to 600g/t Au from in-mine near surface exploration at the Henty Gold Mine. Twenty-six intersections were recorded with greater than 20g/t Au metres providing the Company with confidence in future higher grade gold mining being achieved at Henty.

Acquisition of Henty

Catalyst acquired Henty on a debt (other than hire purchase leases) and hedge free basis. The total non-contingent consideration payable was \$20.0 million which was comprised of:

- \$12.0 million in cash, with \$6.0 million payable on settlement and two additional deferred payments of \$3.0 million paid 6 months, and 12 months from settlement, along with \$8.0 million in Catalyst ordinary shares at a deemed issue price of \$2.10 per share, with a total of 3,428,572 ordinary shares issued to the vendors on settlement.
- To cover any warranty and indemnity claims, a total of \$2.0 million (made up of \$1.2 million of the cash consideration and the deferral of \$0.8 million of the Catalyst shares) will be held in escrow for a minimum of three years. •
- The shares issued at settlement are subject to a minimum three-year escrow period.

In addition, a contingent deferred payment of up to \$5.0 million, calculated as the lesser of \$5.0 million or 50% of cash flow to equity generated by Henty in the initial 12 months post settlement, is also payable. Catalyst also assumed current rehabilitation bonds of \$3.0 million lodged with Mineral Resources Tasmania and will be responsible for in-kind royalties totaling 4.0% of production. Catalyst also entered into a transitional services agreement with the vendor, Diversified Minerals Pty Ltd, to allow a smooth transition of the business. Catalyst's immediate focus is to extend Henty's mine life through exploration and plans to complete approximately 40,000 metres of in-mine and near-mine drilling, in the current calendar year. Henty has generated a positive operating cash flow from acquisition, and detailed mine planning shows that Henty is expected to produce an estimated 25,000 ounces of gold in the 2021 calendar year.

Capital Raisings

A Share Purchase Plan offer to eligible shareholders was completed during the year which raised \$4.8 million, through the issue of 2,296,025 fully paid ordinary shares at an issue price of \$2.10 per share. The amount raised was well in excess of the target of approximately A\$2.0 million, due to the strong demand from existing shareholders. Catalyst also completed a private placement of 600,000 fully paid ordinary shares at an issue price of \$2.10 per share to raise an additional \$1.26 million. The funds raised will be used for ongoing growth initiatives including major exploration programs at the Four Eagles and Tandarra Gold projects in Victoria, the Henty gold mine in Tasmania as well as for general working capital purposes.

Impact of COVID-19 and Labour Market

On March 11, 2020, the World Health Organization declared a global pandemic related to COVID-19 ("Covid").

During the year ended June 30, 2021, Catalyst experienced impact to its workforce in both Tasmania and Victoria. Restrictions related to interstate travel were in place during the year ended June 30, 2021 which increased the challenge for Catalyst in accessing skilled miners in Tasmania, which relies on fly in / fly out workers.

During the year ended June 30, 2021, the Company began testing site-based employees for COVID-19. In addition, Catalyst provided remote working options for employees affected by COVID-19, and for whom remote working was possible. The Company continued to closely monitor all developments regarding COVID-19 to ensure a safe working environment for its employees, contractors and stakeholders. The Company encouraged all employees to obtain vaccinations, however, relied on Australia's broader government policies which encouraged citizens to obtain vaccinations.

Key Business Developments

The Four Eagles project north of Bendigo in Victoria has been the subject of extensive exploration by Catalyst and its 50% joint venture partner Gold Exploration Victoria. The company has well developed targets and is working towards producing Resource statements.

During the 2021 financial year Catalyst acquired the high-grade Henty Gold Mine and strategic tenement package covering 25 kilometres of strike length of the under explored Henty fault in Tasmania. The Henty Gold Mine is located in the Reid Volcanics province of West Coast Tasmania. The mine has been in operation since 1986 and has produced approximately 1.4Moz of gold from the underground operation. The Henty Gold Mine includes a producing underground gold operation a 300,000tpa gold processing plant and exploration tenements stretching north and south along the controlling Henty Fault system.

In Bendigo Catalyst purchased a 263 hectare block of freehold land on behalf of the Four Eagles Joint Venture. The land covers the Boyd's Dam gold zone as well as potential newly discovered gold zones to the east. Ownership allows the Joint Venture to carry out drilling throughout the year (subject to weather), as well as security of land title over any future gold project development. The Company also announced favourable metallurgical testwork had been undertaken for Boyd's Dam. Test work indicated that the material is non-refractory, 97% gold recovery was achieved by gravity concentration & direct cyanidation, 99% gold recovery could be obtained from a combined gravity & floatation concentrate and results enable a number of processing alternatives to be evaluated for Boyd's Dam. In addition, the Company announced a number of significant results from its season's drill campaign, which further informed the prospectivity of the Bendigo tenements.

Year-to-date Performance Summary

12 Months to June 30, 2021

During the period of Henty ownership, the Australian dollar gold price increased by 4.4% which provided support to Catalyst's revenues. By June 30, 2021, quarterly inflation in the Australian economy had increased to 3.1%². In Victoria, being an employer of few personnel and limited contractors, with the majority of expenditure being that of drilling consumables related to exploration activities, the inflationary impact was less severe than at Henty, where inflationary pressures were noticed across the site and departments.

Inaugural production for the Company from 20 January to 30 June 2021 was 11,677 ounces of gold at a C1 cash cost and AISC of \$1,506 and \$1,731 per ounce respectively. Revenue from the Henty Gold Mine for the 5 months and 11 days under Catalyst ownership was \$28.3 million at a realized gold price of \$2,315/ounce, and after royalties, refining and operating costs an operating profit of \$8.4 million was realised. After allowing for amortisation and overhead costs an inaugural operating profit before tax of \$7.2 million was achieved.

Summary of operational results

	12 months to 30 June 2021 ³	12 months to 30 June 2020	12 months to 30 June 2019
Total Mined (t)	158,112	-	-
Ore Mined (t)	75,918	-	-
Mine Grade (g/t)	5.2	-	-
Processed (t)	75,838	-	-
Average Head Grade (g/t)	5.1	-	-
Recovery Gold (%)	94.4	-	-
Gold Produced (oz)	11,620	-	-
Gold Sold (oz)	11,676	-	-
Gold Price Realised (\$/oz)	2,315	-	-
Cash Cost (\$/oz)	1,507	-	-
AISC (\$/oz)	1,732	-	-
Silver Sold (oz)	8,242	-	-
Silver Price Realised (\$/oz)	34.4	-	-

The current focus of areas to mine and explore remain the upper part of the mine in and around the Sill and Intermediate Zones and Zone 96. The mill processed 75,838 tonnes with a feed grade of 5.1g/t producing a reconciled total of 11,620 ounces. The

² www.abs.gov.au

³ Catalyst acquired Henty in January 2021. Results represent production for approximately 5 months

grade of ore processed since Catalyst ownership (20th January 2021) has been 5.0g/t. The recovery rate under Catalyst ownership has averaged 94.4%, compared to the preceding quarter under previous ownership of 73.1%.

Production from 20 January to 30 June 2021 was 11,620 ounces at a cash cost and AISC of \$1,506 and \$1,731 per ounce respectively. Gold sold from the Henty Gold Mine for the 5 months and 11 days under Catalyst ownership was 11,676 ounces at a realized gold price of \$2,315/ounce.

The Company is subject to a number of risks and uncertainties which are inherent in mineral exploration and mining operations. These include but are not limited to commodity price exposure, exchange rate risk, exploration risk, operating risk and others which are discussed further in this MD&A. Management is not aware of any events or commitments of the Company, that that they are aware of, and that exist at the time of this MD&A which could materially affect the company's future performance and financial performance.

Exploration Activities

In the June 2021 quarter, Catalyst announced high-grade gold intersections of up to 600g/t Au in underground drilling including:

- 2.65m at 221.0g/t Au including 0.95m at 603g/t Au
- 4.0m at 103.0g/t Au including 1.0m at 396g/t Au
- 7.1m at 48.0g/t Au including 1.0m at 269.5g/t Au

Importantly, 26 intersections recorded with greater than 20g/t Au metres and provide confidence in the potential for future high grade ore production.

The 2020/21 exploration program at Bendigo returned encouraging results and included the confirmation of multiple gold structures at the Tandarra Gold Project from diamond drilling at the Tomorrow zone, and extensions of gold mineralisation at Macnaughtan from air core drilling and enhancement of gold mineralisation at the recently discovered Lawry zone.

At Boyd's Dam, new zones of gold mineralisation were intersected east of the Boyd's Dam trend which represented the discovery of a new mineralised structure. Later drilling at Botd's Dam returned results of 25 metres @ 23g/t Au, 7 metres @ 8.8g/t Au, 3 metres @ 19.3g/t Au, 7 metres @ 7.7g/t Au and 1 metre @ 32g/t Au. In addition, visible gold in deep structures and high grade gold mineralisation were identified in from diamond drilling at the Four Eagles Gold Project.

During the financial year ended June 30, 2021, and subsequent to the year-end, Company provided several results from the ongoing drilling programs with respect to Bendigo, as follows.

Significant drilling results at Bendigo

Four Eagles⁴⁵

8m @ 4.9g/t Au from 42m
3m @ 19.35g/t Au from 35m
7m @ 5.68g/t Au from 39m
3.0 metres @ 10.0g/t Au including 1.0 metre @ 21.5g/t Au
2.0 metres @ 9.0g/t Au
1.35 metres @ 117.0g/t Au
0.3 metres @ 22.5g/t Au and 0.3 metres @ 33.8g/t Au

Tandarra⁶

1m @ 82.3g/t Au from 261m
13m @ 7.8g/t Au, including 2m @ 44.8g/t Au, from 78m
2m @ 2.1g/t Au from 106m
31m @ 1.4g/t Au from 56m, including 1m @ 10.5g/t Au

⁴ See the Company's ASX Announcement of March 9, 2021.

⁵ See the Company's ASX Announcement of December 2, 2020.

⁶ See the Company's ASX Announcement of July 26, 2021.

2m @ 1.8g/t Au from 91m
 9m @ 14.8g/t Au including 1m @ 112g/t Au, from 106m

Golden Camel⁷
 9.0 metres @ 5.0g/t Au
 6.0 metres @ 9.7g/t Au including 2.0 metres @ 27.7g/t Au

Outlook

At Henty, Catalyst's immediate focus is to extend Henty's mine life through exploration and plans to complete 40,000 metres of in-mine and near-mine drilling, in the current calendar year. This is expected to add mineral inventory with the Company working toward a revised Mineral Resource Estimate in the coming year, a Maiden Reserve and a revised life of mine plan to support a longer operation than is currently available. At Bendigo, the Company is focused on progressing exploration activities at Bendigo with a view to defining a Mineral Resource Estimate in the coming 18 months. The Company's expectations and business strategy are subject a number of risks and uncertainties which are inherent in mineral exploration and mining operations, and accordingly, there can be no assurance that the Company will achieve its anticipated business objectives and milestones, as contemplated and within the timelines contemplated, or at all. See also, the risk factors referred to at the end of this MD&A.

Summary of Financial Results

<i>A\$'000</i>	Twelve month period ended June 30, 2021	Twelve month period ended June 30, 2020	Twelve month period ended June 30, 2019
Revenue	29,378	1,037	368
Net income (loss)	(102)	(1,746)	(1,686)
Earnings (loss) per share –basic and diluted	(0.1)	(2.2)	(2.3)
	As at June 30, 2021	As at June 30, 2020	As at June 30, 2019
Cash and cash equivalents	33,519	18,598	15,897
Non-current assets	42,322	5,654	1,964
Total assets	82,565	24,253	17,994
Current liabilities	24,487	1,568	1,611
Non-current liabilities	3,933	-	-

Results of Operations

The financial statements are presented in Australian dollars, which is Catalyst's functional currency.

Operating Income (Loss)

Operating loss for the 12 months ended June 30, 2021 was \$102, a decrease of \$1,644 compared to the operating loss of \$1,746 in the prior period. The improved operating result is attributable to Henty mine being operational and under Catalyst ownership for the 5 month period to 30 June 2021. Henty's operational performance generated profit and offset losses across the remainder of Catalyst's business which is non-income producing.

Revenues

During the twelve months ended June 30, 2020 Metal sales totaled \$28,509 from the sale of 11,676 ounces of gold and 8,242 ounces of silver at a realized price of \$2,315/ounce and \$34/ounce respectively. Metallurgical recoveries of 94% were achieved for the period, higher than estimated under Catalyst's pre-acquisition modelling.

⁷ See the Company's ASX Announcement of January 29, 2021.

This represents just over 5 months of revenues from the time Catalyst assumed ownership of Henty. As such there were no gold sales in the previous period.

Cost of sales

<i>A\$'000</i>	Twelve month period ended June 30, 2021 2021	Twelve month period ended June 30, 2020 2020	Twelve month period ended June 30, 2019 2019
Mining and processing costs	(13,738)	-	-
Depreciation and amortisation	(2,408)	(20)	-
Royalties	(2,177)	-	-
General and administrative	(2,125)	(807)	(746)
Personnel	(4,809)	(612)	(391)
Cost of Sales	(25,257)	(1,439)	(1,137)

Cost of Sales were \$25,257 for the twelve months ended June 30, 2021, an increase of \$23,818 from \$1,439 for the twelve months ended June 30, 2020. Cost of sales includes mine production costs, processing costs, site services, royalties, depreciation and amortization, and corporate costs. The increase in Cost of Sales in the current period versus the same period in 2021 is primarily due to the acquisition Henty.

General and administrative

General and administrative expenses in the twelve months ended June 30, 2021 were \$2,125, significantly higher than expenses incurred in the twelve months ended June 30, 2020 of \$807. The increase in costs is primarily attributable to the acquisition of Henty.

Other Expenses

Personnel expenses in the twelve months ended June 30, 2021 were \$4,809, significantly higher than expenses incurred in the twelve months ended June 30, 2020 of \$612. The increase in costs is primarily attributable to the acquisition of Henty, however, the employment of two senior executives during the period; Bruce Robertson as CEO and Paul Kiley and GM Business Development (Bendigo), also contributed to corporate personnel expenses increasing.

Net income (loss) for the period ended

The total net loss of \$102 for the twelve months ended June 30, 2021 was recognized by Catalyst, a decrease of \$1,644 compared to the operating loss of \$1,746 in the prior period. An operating profit of \$8.4 million (after royalties expense of \$2,176) was realized at Henty in the year end June 30, 2021 and after allowing for amortisation and overhead costs an inaugural operating profit before tax of \$7.2 million was achieved. Exploration expenditure across Bendigo and Henty of \$4,224 and corporate costs contributed to the group operating loss.

Financial Position as at June 30, 2021

As at June 30, 2021, the Company's current assets totaled \$40,233 and current liabilities amounted to \$24,487, for a net working capital surplus of \$15,746. The majority of current assets are cash and cash equivalents of \$33,519 and inventories of \$3,899. The decrease from a working capital surplus of \$17,030 as at December 31, 2020, was predominantly the result of higher trade and other payables as a result of acquiring the Henty mine. This was offset, however, by an \$15,163 increased cash balance as a result of the company's equity capital raising during the period.

Non-current assets increased significantly by \$36,678 from June 30, 2020. This was primarily a reflection of acquiring Henty. Increases in non-current assets included \$5,718 in property plant and equipment, reflecting mobile and fixed plant and equipment at Henty, \$6,505 in mining development assets, reflecting capitalized underground development at Henty and a tailings lift in the second half of 2021, and \$24,454 of capitalized exploration expenditure, of which \$5,884 was attributable to Bendigo exploration and the remaining \$18,570 acquired through Henty.

Current liabilities increased by \$22,919 to \$24,487 predominantly as a result of the Henty acquisition. \$10,604 of the increase in current liabilities is due to higher accounts payable balances, reflecting the working capital requirements of an operating mine site. In addition, a \$6,000 deferred consideration liability was recognized in the period, representing the staged acquisition payments for Henty as well as a \$5,000 contingent consideration liability, again for the Henty acquisition. An increase of \$802 in current lease liabilities was recognized, reflecting inherited equipment finance leases for operating equipment at Henty.

Non-current liabilities increase by \$3,938 exclusively relating to the acquisition of Henty and included \$2,912 in rehabilitation provisions, \$220 in inherited equipment lease liabilities and \$800 in deferred consideration.

Equity consisted of contributed equity of \$72,912, an increase of \$31,562 from the issuance of ordinary shares resulting from the acquisition of Henty and a equity capital raises during the year.

Cash flow

Operating Activities

Cash provided by operating activities for the twelve months ended June 30, 2021, totaled \$9,553, compared to \$2,257 in 2020. The increase in cash flows was primarily attributable to acquisition of Henty and the subsequent operational cashflows derived from gold sales.

Investing Activities

Cash used by investing activities for the twelve months ended June 30, 2021, totaled \$19,219 compared with \$3,700 in 2020. In the year ended June 30, 2021, this outflow was primarily attributable to the acquisition of Henty and the associated assets including property, plant and equipment and mining development assets. In addition to Henty costs, exploration expenditure across the Bendigo assets was reflected in this increase.

Financing Activities

Cash provided by financing activities was \$24,849 for the twelve months ended June 30, 2021, compared with \$8,395 in 2020. In the year ended June 30, 2021, this inflow was primarily attributable to \$25,082 raised from private placements and share placement plans with shareholders, ordinary shares issued as consideration for the acquisition of Henty \$5,615 from joint venture partners for exploration activities across the Bendigo portfolio and \$802 relating to equipment finance leases for mobile equipment at Henty.

In management's view, Catalyst has sufficient financial resources to fund the operations, planned exploration programs and ongoing operating expenses. As of June 30, 2021, Catalyst had cash of \$33,518, compared to \$18,335 as at June 30, 2020. Catalyst expects to reduce its reliance on raising equity or other capital and re-invest the cashflows generated by Henty into its broader exploration portfolio.

Dividends

Catalyst has neither declared nor paid any dividends on its Ordinary Shares. Catalyst intends to retain its earnings, if any, to finance growth and expand its operations and does not have any immediate plans to pay any dividends on its Ordinary Shares.

Liquidity and Capital Resources

In management's view, Catalyst has sufficient financial resources to fund the operations, planned exploration programs and ongoing operating expenses. As of June 30, 2021, Catalyst had cash of \$33,518, compared to \$18,335 as at June 30, 2020. This increase was primarily attributable to \$25,082 raised from private placements and share placement plans with shareholders, offset by acquisition payments for Henty and other exploration expenditures. Catalyst expects to reduce its reliance on raising equity or other capital and re-invest the cashflows generated by Henty into its broader exploration portfolio.

The Company is subject to risks and challenges similar to other companies in a comparable stage of operation, exploration and development. These risks include, but are not limited to, losses, successfully raising cash flows through debt or equity markets

and the successful operation and development of its mineral property interests to satisfy its commitments and continue as a going concern.

Catalyst expects that its existing cash at June 30, 2021 together with cash from operations will be sufficient to fund cash requirements in the ordinary course of business for the next twelve month period. However, the Company's liquidity position is sensitive to a number of variables which cannot be predicted with certainty, including, but not limited to, meeting gold production targets, gold prices, foreign exchange rates, operational costs and capital expenditures. If the Company's cash and cash flow from operations is not sufficient to satisfy its requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or available on terms acceptable to the Company. The consolidated financial statements do not include adjustments to the carrying values of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern. These adjustments may be material.

The Company may require the issuance of equity or other forms of financing to complete or accelerate programs associated with any future development and exploration initiatives that are not contemplated in its current life of mine plan. Catalyst's ability to raise equity and other forms of financing in the future under terms acceptable to the Company will be dependent on operating performance and on global markets, in particular, the price of gold and currency exchange rates.

The Company's revenues, operating results and cash inflows are highly dependent on the availability of labour for the Henty Gold Mine, which are affected by the challenging labour conditions on the west coast of Tasmania. Obtaining appropriately skilled personnel, including external service providers, have been compounded by the impact of absenteeism in the workforce as a result of COVID-19.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

In the year ended June 30, 2021, the company had the following arrangements with related parties. All transactions were made on normal commercial terms and conditions and at market rates.

1. Mr Boston is a Director of Raisemetrex Pty Ltd, which was paid \$60,000 by the Company to provide an online platform for the administration of capital raisings and electronic communications with shareholders.

Proposed Transactions

The Company routinely evaluates various business development opportunities which could entail optioning properties, direct acquisitions, trades and/or divestitures. In this regard, subsequent to the financial year ended June 30, 2022, and specifically on February 22, 2023, the Company entered into an arrangement with Superior Gold Inc., to complete a statutory plan of arrangement transaction that will result in Catalyst acquiring 100% of Superior's Plutonic Gold Operations, located in central Western Australia. Under the terms of the transaction, common shareholders of Superior Gold Inc. will receive 0.3571 of one ordinary share of Catalyst (each whole share, a "Catalyst Share") for each Superior common share ("Superior Share") held. Upon completion of the proposed transaction, existing Catalyst shareholders and former Superior Gold Inc. shareholders will hold an ownership interest in Catalyst, as the combined company. There can be no assurances that the proposed transaction will be concluded as contemplated, or at all.

If the transaction is successful, Catalyst will become the owner of the Plutonic Gold Operations and acquire all of the associated asset and liabilities of Superior Gold Inc.. The Plutonic Gold Operations include the Plutonic Gold Mine (which is a producing underground mine with additional surface operations), the Hermes Gold Mine (which includes open pits at Hermes and interests in tenements within the Bryah Basin joint venture ("BBJV") ranging from 70%-80%), and a central mill (located at the Plutonic Gold Mine). Catalyst is expected to issue approximately 44.7 million Catalyst shares to Superior shareholders as part of the transaction resulting in there being approximately 219 million Catalyst shares issued and outstanding upon completion of the transaction. Further details of the transaction and detailed pro-forma financial statements for Catalyst (as constituted upon

completion of the transaction) have been prepared as part of, and included in, the management information circular of Superior Gold Inc. within which this MD&A is included.

Commitments & Contingencies

Commitments contracted for and contingencies at the end of the reporting period not recognized as liabilities are as follows:

<i>A\$'000</i>	June 30, 2021	June 30, 2020	June 30, 2019
Tenement commitments (no later than 1 year)	1,462	1,452	1,452
Later than 1 year but not later than 5 years	0	-	-
Contingent consideration	5,000	-	-
	6,462	1,452	1,452

a. Contingent Consideration

On 20 January 2021, the Group acquired 100% of Unity Mining Pty Ltd and its subsidiary, owners of the Henty Gold Mine. Under a share sale agreement, the purchase consideration of \$25,000,000 consisted of 3,428,572 fully paid ordinary shares worth \$7,200,000; cash consideration of \$6,000,000; deferred consideration of \$6,800,000 payable in 3 instalments and contingent consideration of \$5,000,000.

As part of the transaction with Vango completed in March 2023, Catalyst entered into a binding term sheet with Collins Street Value Fund which was subject to shareholder approval. Under the term sheet, Collins Street Value Fund agreed to roll over their convertible note held with Vango into Catalyst, should Catalyst be successful in acquiring 100% of Vango Shares. The face value of the notes to be issued was A\$9.075m with a maturity date of 31 March 2024. The conversion price of the note is A\$1.47 representing a 20% premium to the 30 day volume weighted average price of Catalyst's shares prior to the date of Vango takeover announcement (10 January 2023). Based on the conversion price, Catalyst will be obliged to issue 6,163,407 ordinary shares of Catalyst to Collins Street, if converted. An additional A\$2.5m is available to Catalyst to draw down, on the same terms.

Critical Accounting Policies and the Use of Estimates

The discussion and analysis of Catalyst's financial condition and results of operations are based upon its financial statements which have been prepared in accordance with IFRS. The preparation of financial statements requires the Company to make estimates and judgements that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates under different assumptions.

The impact of financial instruments and areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are summarized below. Catalyst's accounting policies are discussed in more detail in the Company's audited annual financial statements for the year ended June 30, 2021 which are included in the management information circular of Superior Gold Inc. within which this MD&A is included and also available on the ASX website (www.asx.com.au) and on the Company's website (www.catalystmetals.com.au).

Exploration and evaluation costs

The application of the Company's accounting policy for exploration and evaluation necessarily requires management to make certain estimates and assumptions as to future events and circumstances, in particular the assessment of whether economic quantities of reserves may be found. Any such estimates and assumptions may change as new information becomes available.

Unit-of-production method of depreciation/amortisation

The Company uses the unit-of-production basis when depreciating/amortising life of mine specific assets which results in a depreciation/amortisation charge proportionate to the depletion of the anticipated remaining life of mine production. Each asset's economic life, which is assessed annually, has due regard for both its physical life limitations and to present assessments of

economically recoverable mine plan of the mine property at which it is located. These calculations require the use of estimates and assumptions.

Inventories

Net realisable value tests are performed at each reporting date and represent the estimated forecast sales price of the gold when it's expected to be realised, less estimated costs to complete production and bring the product to sale. Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained gold ounces based on assay data, and the estimated recovery percentage. Stockpile tonnages are verified by periodic surveys.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Rehabilitation provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

Financial Instruments

Catalyst's significant accounting policies regarding its financial instruments are set out in below and also in its audited consolidated financial statements for the year ended June 30, 2021.

Recognition and Initial Measurement

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and are solely principal and interest. All other financial instrument assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income. Financial assets may be impaired based on an expected credit loss model to recognise an allowance. Such impairment is measured with a 12-month expected credit loss model unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime expected credit loss model is adopted. For financial liabilities, the portion of the change in fair value that relates to the Company's credit risk is presented in other comprehensive income.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Interest rate risks

The Company's exposure to the risks of changes in market interest rates relates primarily to the Company's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Company to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Company does not engage in any hedging or derivative transactions to manage interest rate risk.

Interest rate sensitivity

At 30 June 2021, if interest rates had changed by 100 basis points during the entire year with all other variables held constant, profit for the year and equity would have been \$324,911 (2020: \$183,355) lower/higher, mainly as a result of lower/higher interest income from cash and cash equivalents. A sensitivity of 100 basis points has been selected as this is considered reasonably possible in the current economic environment. Based on the sensitivity analysis only interest revenue from variable rate deposits and cash balances are impacted resulting in a decrease or increase in overall income.

Credit risk

The maximum exposure to credit risk at balance date is the carrying amount (net of provision of doubtful debts) of those assets as disclosed in the balance sheet and notes to the financial statements. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Liquidity risk

The responsibility for liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments.

Adoption of New or Amended Accounting Policies

There have been no new material accounting standards or amendments to accounting standards, effective June 30, 2021 which the Company has adopted.

Outstanding Share Data

The following table summarizes the capitalization of Catalyst as at June 30, 2021.

	Exercise price	Expiry date	Quantity
Number of ordinary shares issued			
Ordinary shares	Not applicable	Not applicable	98,295,723
Number of ordinary shares issuable			
Options	\$2.45	May 31, 2022	7,881,996
			106,177,719

Risks and Uncertainties

The Company's business, being the acquisition, exploration, and development of mineral properties in Australia, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones below, could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Company. See the cautionary notes in this regard, with respect to forward-looking statements, above in this MD&A. The reader should carefully consider these risks as well as the information disclosed in the management information circular to which this MD&A is attached, as well as other publicly filed disclosure regarding the Company, which are available on the Company's website at <https://catalystmetals.com.au/investor-relations>.

Funding risks and capital requirements

Catalyst's future capital requirements will depend on a number of factors including (without limitation) further acquisitions, integration costs, divestments and commodity prices. Catalyst may be required to seek additional financing (either in the form of debt or equity) and there is no guarantee that the Catalyst will be able to secure the required level of funding. Any debt financing, if available, may involve restrictions on the Catalyst's financing and operating activities, or its business strategy and additional equity financing may dilute shareholders and may be undertaken at lower prices than the current market price. No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Catalyst or at all. If the Catalyst is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on Catalyst's operations and financial position.

Exploration and development risks

The business of mineral exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. There is no guarantee of development of any of Catalyst's projects. Ultimate and continuous success of activities is dependent on many factors such as, without limitation: (i) the discovery and/or acquisition of economically recoverable reserves; (ii) access to adequate capital for project development; (iii) design and construction of efficient development and production infrastructure within capital expenditure budgets; (iv) securing and maintaining title to tenements; (v) obtaining regulatory consents and approvals necessary for the conduct of mineral exploration, development and production; (vi) securing plant and equipment, particularly given equipment utilisation rates are high in the current period of Western Australian exploration/production activity, hence competition for such equipment may also be high; and (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Even a combination of experience, knowledge and careful evaluation may not be able to overcome the inherent risks associated with exploring prospective tenements. There can be no assurance that exploration of the tenements (or any other tenements that may be acquired in the future), will result in the development of economically viable deposits of gold or other minerals. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of Catalyst's projects, a reduction in the cash reserves of Catalyst and possible relinquishment of part or all of its projects.

Operating risk

Catalyst's assets and mining operations, as any others, will be subject to uncertainty with respect to (among other things): ore tonnes, mine grade, ground conditions, metallurgical recovery or unanticipated metallurgical issues (which may affect extraction costs), infill resource drilling, mill performance, the level of experience of the workforce, operational environment, funding for development, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment, storms, floods, bushfires or other natural disasters.

The occurrence of any of these circumstances could result in Catalyst not realising its operational or development plans, or plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on Catalyst's financial and operational performance.

Potential acquisitions and associated risks

Catalyst continues to receive and be engaged in approaches from third parties in relation to potential acquisitions, mergers and investment opportunities. Catalyst has a history of such transactions in the pursuit of growth and increasing shareholder value. The Catalyst directors presently expect acquisition and merger activity to form an increasing aspect of Catalyst's strategy to

increase shareholder returns in the future. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of resource projects, including due diligence risks, execution risks (including the incurrence of potentially significant transaction costs), dilution risks (where equity is used to fund the acquisition) or credit risks (where debt is used).

Commodity price risk and exchange rate risk

Catalyst earns revenue from the sale of mineral products. In such circumstance, its revenue may be closely related to the price and arrangements it enters into for selling of its products. Product prices fluctuate and are affected by factors including the relationship between global supply and demand for gold, forward selling by producers, the cost of production and general global economic conditions. Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand issues. These factors may have an adverse effect on Catalyst's exploration, development and production activities as well as its ability to fund those activities.

Reliance on key personnel

Catalyst's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. The loss of the services of one or more of such key management personnel could have an adverse effect on Catalyst. Catalyst ability to manage its exploration and development activities, and hence its success, will depend in large part on the efforts of these individuals. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

Environmental liabilities risk

Catalyst's activities are subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration) is not generally available to Catalyst (or to other companies in the minerals industry) at a reasonable price. To the extent that Catalyst becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to Catalyst and could have a material adverse effect on Catalyst. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

Litigation risk

Catalyst will be exposed to possible litigation risks including native title claims, tenure disputes, disputes in relation to the interpretation of royalty agreements or other contractual entitlements, environmental claims, occupational health and safety claims and employee claims. Further, Catalyst may be involved in disputes with other parties now or in the future which may result in litigation or other forms of dispute resolution procedure. Any such claim or dispute if proven, may impact adversely on Catalyst's operations, financial performance and financial position.

Unforeseen expenses

Catalyst may be subject to significant unforeseen expenses or actions. This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events.

Litigation

As at the date of this MD&A, Catalyst is not aware of any material disputes or litigation being undertaken. However, it is possible that Catalyst may be involved in disputes and litigation in the course of its future operations. There is a risk that any material or costly dispute or litigation and compensation or damages could adversely impact the financial position or performance of Catalyst.

Vango Mining Limited

Management Discussion & Analysis

For the Twelve Months Ended 30 June 2022

(Expressed in Australian Dollars, except where otherwise indicated)

Notes

This Management's Discussion and Analysis ("MD&A") dated May 14, 2023, should be read in conjunction with Vango Mining Limited's ("Vango" or the "Company") Annual Report for the 12 months to 30 June 2022 ("Annual Report 2022") which was prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). The following is intended to supplement and complement the financial statements and notes thereto of the Corporation. All dollar figures stated herein are expressed in thousands of Australian dollars ("Australian dollars").

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. See also, the risk factors referred to at the end of this MD&A.

John McKinstry, an employee of Catalyst Metals Ltd and a "qualified person" within the meaning of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101") has reviewed and approved the scientific and technical information in this MD&A.

Description of the Business

Vango is a subsidiary of Catalyst Metals Limited, an Australian based gold exploration company that operates the Marymia Gold Project located in Western Australia. The Marymia Gold Project includes various exploration and mining leases situated 200km north of the Western Australian town of Meekatharra.

Full Year Highlight

First phase of 2021 drilling campaign completed at flagship Marymia Gold Project - 56 holes - 8,914m RC drilling in 11 targeted open-pits. Drilling was designed to add significant near-surface resources amenable to open pit

Results from Skyhawk, Parrot, Rosella and Apollo open-pits

- 16m@ 4.4 g/t Au, from Skyhawk¹
- 3m at 10.0 g/t Au from 80m in VRORC0001 incl 1m@ 27.0 g/t Au from 80m at Rosella open-pit¹
- 19m@ 4.7g/t Au from 81m including 2m at 18.6 g/t Au from 96m¹

Next Phase of drilling commenced and completed at Ned's Creek JV Project - 3,000m RC drilling targeting the Contessa prospect

\$10m funding package secured from new strategic investor, Collins St Value Fund Shareholder approval was secured at a General Meeting of shareholders. Plans for next phase of drilling was announced at flagship Marymia Gold Project with drilling to commence August 2022.

2022 drilling to target priority Triple P, Mareast and Apex areas, and is designed to test for strike and depth extensions of existing gold mineralisation

Results from the Pigeon, Redfin, Speckled and Kookaburra open-pits were released during the year.

Zuleika Gold, previously Dampier Gold, court hearing was completed on 30 March 2022. A decision was announced by the Company on 31 October 2022. During the proceedings, Zuleika Gold claimed it had earned up to an 11.87% interest in the Company's K2 deposit. The judgment ultimately awarded Zuleika Gold a 4.1% interest in the K2 deposit, with a requirement to

¹ See the Company's ASX Announcement of October 21, 2021.

contribute its share of expenditure and tenement holding costs. Costs were awarded to Zuleika, however this was appealed by the company.

Capital Raising Highlights

During the fiscal year ended June 30, 2022, Vango announced that it had secured a funding package of \$10 million from Collins St Value Fund (CSVF) to advance exploration and development at the Marymia Gold Project (ASX: VAN announcement, 1 April 2022). This strategic funding is to allow for the continuation of Vango's extensive resource expansion grilling campaign and pre-mine planning at the Marymia Project, and working capital. Tranche 1 (\$7.5 million) was issued in accordance with shareholder approval on 16 June 2022. Tranche 2 (\$2.5 million) will be issued subject to the Company's requirement for funds and shareholder approval by Vango shareholders in accordance with the Corporations Act and ASX Listing Rules. The funding package was secured at a General Meeting of Vango shareholders held on June 16, 2022.

Impact of COVID-19

On March 11, 2020, the World Health Organization declared a global pandemic related to COVID-19. The impact on the Company's operations was minimal.

Key Business Developments

Marymia Gold Project

The Marymia Gold Project is located 200km north of Meekatharra, within the Archaean Plutonic Marymia Greenstone Belt. It was previously in production during the 1990s, having produced nearly 1 million ounces of gold from open pit mining.

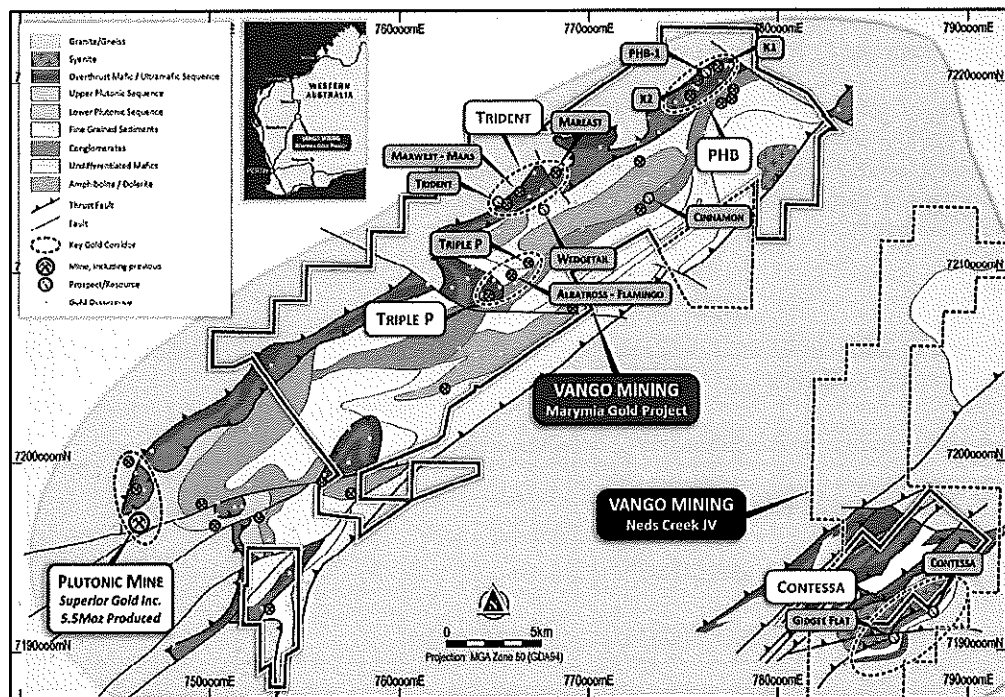
The project comprises various mining and exploration licences with all activities being at the exploration stage mining.

Year-to-date Performance Summary - 12 Months to 30 June 2022

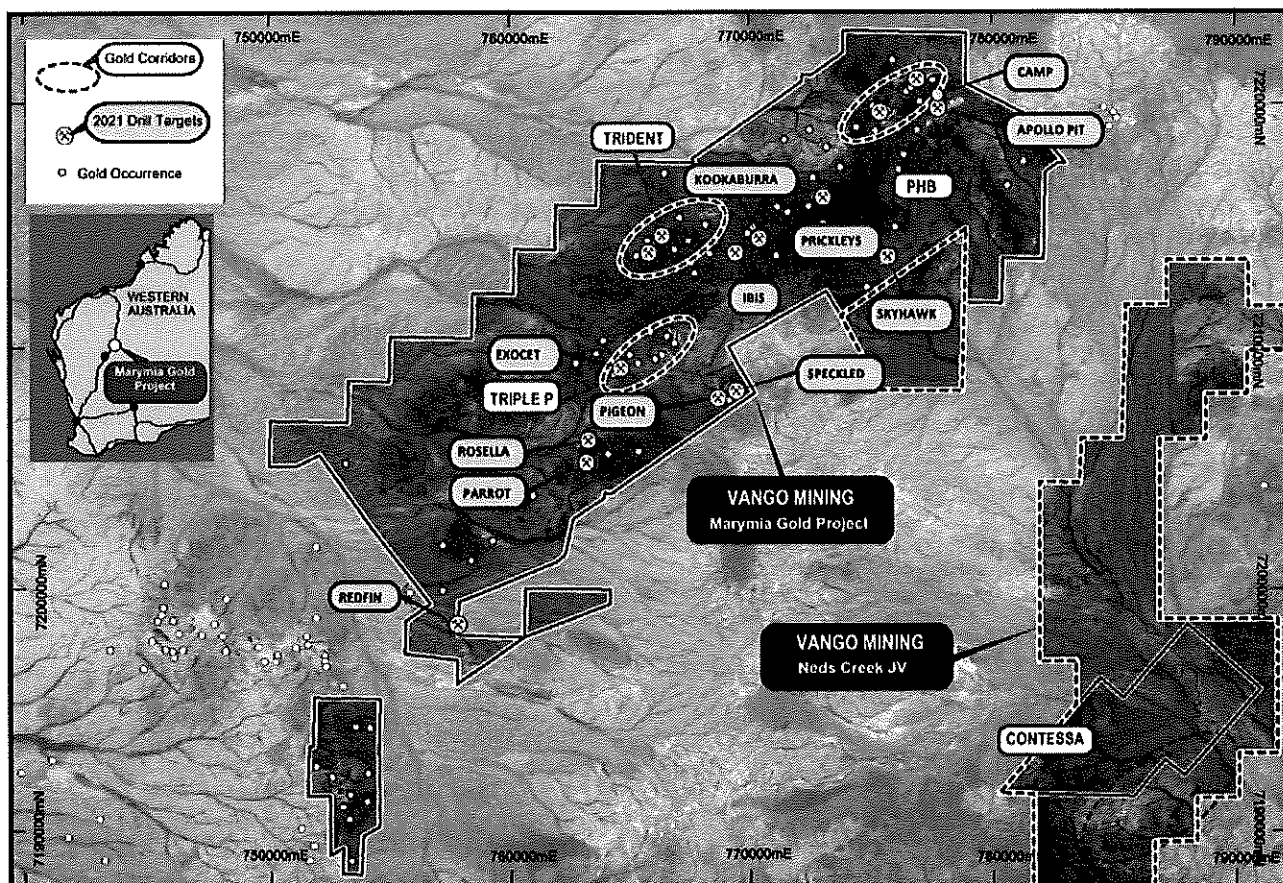
The Company is progressing a deliberate strategy focused on growing its high-grade gold endowment to support its ambitions of becoming a significant gold producer.

To this end, the Company is currently focused on Stage 1 (20,000 metres) of a multi-stage drilling program, testing high-grade extensions and deeper 'Plutonic analogue' targets.

The geology of the Marymia Gold Project and Ned's Creek JV, with significant prospects and key mineralised corridors, are shown on Figure 1 below.



Marymia Gold Project and Ned's Creek JV tenements outline and geology with key prospects



Marymia Gold Project showing the 11 priority open pits targeted in 2021 drilling campaign

During this year, the company completed its 2021 drilling campaign at the Marymia Project comprising 8,914 metres of RC drilling across 56 holes, targeting 11 targeted open-pits.

This drill campaign was targeting areas outside the Marymia JORC 2012 Resource (1.02Moz@ 3.0 g/t Au), designed to add significant near-surface resources amenable to open pit mining, as part of any future mining operation at the Project. This campaign is also designed to deliver 'critical mass' to increase the mine life of a proposed future mining operation from Marymia's resource base, specifically targeting an increase in total ounces to ensure that mill capacity of any future mining operation is maximised over the Project's total mine life.

Skyhawk Drill Results

During the financial year ended June 30, 2022, and subsequent to the year-end, Vango provided several results from the ongoing drilling programs with respect to Skyhawk, as follows.

- 16m @ 4.4 g/t Au, from 54m in VSKRC0007, including 6m@ 8.2 g/t Au¹
- 1m @ 12.1 g/t Au from 55m in VSKRC0003¹
- 1 m @ 3.1 g/t Au from 48m in VSKRC0003¹
- 6m @ 1.9 g/t Au from 21 m in VSKRC0004 incl 1 m @ 6.4 g/t Au¹
- 3m@ 2.5 g/t Au from 59m in VSKRC0006 incl 1 m@ 6.1 g/t Au¹
- 18m@ 2.0 g/t Au from 76m in DSHRC0023¹
- 16m@ 3.5 g/t Au from 132m in DSHRC0014 ¹
- 12m@ 2.5 g/t Au from 65m in DSHRC0004¹

Parrot Drill Results

At Parrot, four RC drill holes for a total of 815m were completed targeting extensions to the open pit Resources. The results confirmed continuity of mineralised structures below the pits. Broad zones of elevated gold values associated with sulphides within the mineralised structures were returned. Drill results included:

- 3m@ 1.3 g/t Au from 124m in VPARC0003²
- 1 m @ 2.5 g/t Au from 177m in VPARC0001²
- 12m@ 2.6 g/t Au from 43m in PARC0073²
- 2m@ 11.1 g/t Au from 99m in PBR7977²
- 8m@ 1.6 g/t Au from 67m in PBRD1753²

Apollo drill results

At Apollo, three holes were completed for 471m. These holes targeted extensions to old open pits that had been previously mined by past owners. Drill results included;

- 1m@ 1.5 Au from 48m in VAPRC0002³

² See the Company's ASX Announcement of October 10, 2021.

³ See the Company's ASX Announcement of October 10, 2021.

- 6m @ 19.7 g/t Au from 50m in ARC0067³
- 4m@ 11.0 g/t Au from 54m in ARC0105³
- 8m@ 2.5 g/t Au from 52m in ARC0115³
- 3m@ 15.3 g/t Au from 40m in ARC0129³

Pidgeon drill results

The Company completed five drillholes at the Pigeon open-pit. The results showed the continuity of a strong gold zone that broadly follows an interpreted mineralised structure, following the contact between sediments and mafic packages. Results from hole VPIRC000S suggested this structure is still important but has been offset somewhat by a later structure. This structure appears to have offset this mineralised zone and opens up the potential at Pigeon significantly to the west, which is also supported by historical intercepts.

- 2m@ 1.2 g/t Au from 94m in VPIRC000S including 1 m@ 1.9 g/t Au from 94m⁴
- 3m@ 3.2 g/t Au from 133m in VPIRC000S including 1 m@ 8.31 g/t Au from 134m⁴
- 1 m@ 2.5 g/t Au from 159m in VPIRC000S (repeat of 8.84 g/t Au)⁴
- 2m @4.9 g/t Au from 166m in VPIRC000S incl 1m@ 8.7 g/t from 166m⁴
- 1m@ 1.2 g/t Au from 190m in VPIRC000S⁴
- 9m at 3 g/t Au from 111 m in VPIRC0004 incl. 3m at 7.9 g/t Au from 114m
- 2m at 1 g/t Au from 157m in VPIRC0004
- 4m at 1.1 g/t Au from 134m in VPIRC0001
- 2m at 2.2 g/t Au from 11 Sm in VPIRC0002
- 7m at 0.8 g/t Au from 124m in VPIRC0002
- 12m at 1 g/t Au from 121m in VPIRC0003

Rosella drill results

At Rosella, three holes were drilled targeting extensions to historical open pits mined by past owners. Rosella is interpreted to be a faulted-off continuation of the adjacent Parrot Open Pit, which may present the potential for large-scale open-pit development and mining across the two open-pits. The gold mineralisation at Rosella is well-defined along a moderately north-west dipping structure within mafics, and near the contact with sediments in places. Drilling was intended to identify mineralization outside this old open pit that might ultimately result in a larger open pit cutback in these higher gold price environments. Drilling results included:

- 1 m at 4.0 g/t Au from 54m in VRORC0001⁵
- 3m at 10.0 g/t Au from 80m in VRORC0001 incl 1m@ 27.0 g/t Au from 80m⁵
- 2m@ 1.2 g/t Au from 89m in VRORC0002⁵
- 1m@ 2.2 g/t Au from 50m in VRORC0003⁵

⁴ See the Company's ASX Announcement of January 19, 2022.

⁵ See the Company's ASX Announcement of November 24, 2021.

- 3m at 2.6 g/t Au from 101m in VRORC0003 incl 1m@ 6.7 g/t Au from 102m⁵
- 11 m at 4 g/t Au from 83m in VRORC0004 incl. 6m at 6.6 g/t Au from 85m⁵

Exocet drill results

At Exocet, five holes were drilled around historical workings. Similarly to Rosella, drilling was intended to identify mineralization outside this old open pit that might ultimately result in a larger open pit cutback in these higher gold price environments. Drilling results included:

- 1m at 1.1 g/t Au from 83m in VEXRC0001⁶
- 6m at 1.3 g/t Au from 68m in VEXRC0002 incl. 1m at 3.7 g/t Au from 72m g/t⁶
- 3m at 0.9 g/t Au from 71 m in VEXRC0003 incl. 1 m at 1.1 g/t Au from 72m⁶
- 1m at 5.2 g/t Au from 135m in VEXRC0004⁶

Prickleys drilling results

Results from eight holes at the Prickleys open-pit area were reported in the quarter. There are significant historic gold intercepts below the Prickleys open-pit. Vango's drilling tested for extensions this mineralisation as well as repeating structures at depth.

The drilling returned six holes with gold greater than 1 g/t and all holes returned gold greater than 0.5 g/t. The results confirmed the continuity of the mineralised structures below the open-pit and significantly extended the depth of the mineralisation in many cases.

- 10m@ 1.6 g/t Au from 116m in VPKRC0006 incl 3m @4.3 g/t Au from 116m⁷
- 4m@ 1.0 g/t Au from 45m in VPKRC0007 incl 1m @3.5 g/t Au from 48m⁷
- 11m@ 0.4 g/t Au from 72m in VPKRC0007 incl 1m@ 1.2 g/t Au from 75m⁷
- 10m@ 0.3 g/t Au from 128m in VPKRC0002 incl 1m@ 1.3 g/t Au from 135m⁷
- 6m@ 0.5 g/t Au from 139m in VPKRC0004 incl 1m@ 1.2 g/t Au from 143m⁷
- 13m@ 0.7 g/t Au from 150m in VPKRC0005 incl 1m@ 2.6 g/t Au from 153m⁷

Drilling at Ned's Creek Joint Venture Project

Vango is earning a 51% interest in the Ned's Creek Project by spending. During the quarter, the latest phase of drilling was completed at Vango's Ned's Creek joint venture Project with Lodestar Minerals Limited (Lodestar) (ASX: LSR), in the Mid-West region of WA.

The program comprised 29 holes for a total for 3,715m as follows; 12 vertical RC holes, drilled to a depth of 90m over an area of 120m by 140m, to verify significant supergene gold intersected in previous aircore drilling and support a maiden resource estimate for the supergene hosted mineralization.

14 holes targeting the Contessa granite contact as a potential source of the widespread supergene and nugget-related gold discovered in the Contessa area; and 3 additional RC holes completed on the contact zone, 1500m southwest of Contessa, at the Central Park prospect.

⁶ See the Company's ASX Announcement of November 24, 2021.

⁷ See the Company's ASX Announcement of November 3, 2021.

Outlook

During the fiscal year ended June 30, 2022, the primary objective of the Company's exploration program is to add multiple high-grade deposits in close proximity to one another. At present, the Company, which is a wholly-owned subsidiary of Catalyst Metals Limited, has secured funding to progress the next seasons drilling to extend systematic RC drilling over the 1,200m gap between Contessa and Central Park prospects, targeting contact-related gold mineralisation. A discrete magnetic anomaly adjacent to the contact presents a specific exploration target to be tested by upcoming drilling. The magnetic anomaly may represent intrusion-related magnetite alteration on the perimeter of the granite ormafic rocks, a potential site of brittle-style deformation and mineralisation.

As of the date of this MD&A, the Company's expectations and business strategy are driven by Catalyst Metals Limited, and are subject a number of risks and uncertainties within the business and operations of Catalyst Metals Limited, which are inherent in mineral exploration and mining operations, and accordingly, there can be no assurance that the Company will achieve its anticipated business objectives and milestones, as contemplated and within the timelines contemplated, or at all. See also, the risk factors referred to at the end of this MD&A.

Results of Operations

The financial statements are presented in Australian dollars, which is Vango Mining's functional currency.

Operating Income (Loss)

As a junior exploration company, Vango has no expectation of generating operating profits until it develops a commercially viable mineral deposit.

Operating loss for the twelve months ended June 30, 2022 was A\$2,884,086 compared to \$4,814,038 for the twelve months ended June 30, 2021. This was due to a \$1,802,489 reduction in general and administrative expenses.

Summary of Annual Financial Results

	12- month period ended June 30, 2020	12 month period ended June 30, 2021	12 month period ended June 30, 2022
Revenue	-	-	-
Operating Income (loss)	(7,152,690)	(4,814,038)	(2,884,086)
Net Loss attributable to Company shareholders	(7,152,690)	(4,814,038)	(2,884,086)
Net loss per share attributable to Company's shareholders - basic	(1.01)	(0.49)	(0.24)
Net loss per share attributable to Company's shareholders - diluted	(1.01)	(0.49)	(0.24)
Cash and cash equivalents	3,949,054	6,186,363	25,999
Total assets	46,359,931	56,966,646	50,987,238
Total Current liabilities	8,076,672	4,156,343	4,413,690
Total Liabilities	16,661,964	13,384,577	8,028,517

General and administrative

For the twelve months ended June 30, 2022, general and administrative expenses were \$3,011,549 (twelve months ended June 30, 2021: A\$5,241,747). The decrease was driven by a decrease in interest expense of A\$142,000, a decrease in consulting fees of

A\$704,000, higher employee costs of A\$625,000, decrease in losses on shares to settle liabilities of \$750,000, lower Directors remuneration of A\$697,000, lower Fair Value adjustments from financial assets of \$840,000, and higher legal fees of A\$342,000.

Net income (loss) for the period ended

The total net loss of A\$2,884,086 for the twelve months ended June 30, 2022 resulted primarily from general administrative expenses of A\$5,241,747. The total net loss of A\$4,814,038 for the twelve months ended June 30, 2021 resulted primarily from the same expenditure as in 2022, ongoing general and administrative costs.

Financial Position as at March 31, 2023

Cash from (used in) Operating Activities

During the twelve months ended June 30, 2022 there was no cash generated from operating activities.

For the twelve months ended June 30, 2022, cash outflows from operating activities amounted to A\$2,498,688 (twelve months ended June 30, 2021: A\$3,956,100). Payments to suppliers and employees comprised A\$2,729,690 and net interest income of A\$231,000.

Cash used in Investing Activities

Cash outflows used in investing activities in the 12 months ended June 30, 2022 amounted to A\$5,331,676 (12 months ended June 30, 2021: A\$7,160,409), comprising primarily of exploration and evaluation activities of A\$6,499,861 (12 months ended June 30, 2021: A\$8,153,873) and property, plant and equipment additions of A\$127,436 (12 months ended June 30, 2021: A\$586,641). There were also proceeds from the sale of financial assets of A\$1,385,908 (12 months ended June 30, 2021: A\$1,662,559)

Dividends

The Company has neither declared nor paid any dividends on its Common Shares. The Company does not generate revenue and does not have any immediate plans to pay any dividends on its Common Shares.

Liquidity and Capital Resources

As at June 30, 2022, the company had consolidated cash balance of A\$0.026m (June 30, 2020: A\$6.1m). At the time, the Company had not drawn on the CSVF convertible note and was comfortable it has access to sufficient funds to continue operations.

The Company is subject to risks and challenges similar to other companies in a comparable stage of operation, exploration and development. These risks include, but are not limited to, losses, successfully raising cash flows through debt or equity markets and the successful operation and development of its mineral property interests to satisfy its commitments and continue as a going concern.

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Commitments & Contingencies

In the twelve months ended June 30, 2022, the Company had no capital commitments for property, plant and equipment.

Critical Accounting Policies and the Use of Estimates

The discussion and analysis of the Company's financial condition and results of operations are based upon its financial statements which have been prepared in accordance with IFRS. The preparation of financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure

of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates under different assumptions or conditions.

The impact of financial instruments and areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in more detail in the Company's audited annual financial statements for the year ended June 30, 2022, which are available on the ASX website at www.asx.com.au.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

The Company's investments are accounted for using the equity method are periodically tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is determined as the higher of the fair value less cost of disposal.

The consolidated entity retains a 49% interest in the joint venture entity Sino Australian Resources (Laos) Co. Ltd ("SIRCO"). Which is incorporated in Laos PDR and is involved in the exploration of Bauxite resources in the Bolaven Plateau in Laos. The Company's interest in the Joint Venture was fully impaired in 2017. Management have exercised their judgement in determining that the Company's interest in the Joint Venture remains fully impaired.

Provision for Site Rehabilitation

In accordance with the Company's legal requirements, provision is made for the anticipated costs of future restoration and rehabilitation of areas from which natural resources have been extracted. The provision has been based upon the levies in accordance with the requirements of the Government of Western Australia under the Mining Rehabilitation Fund Act 2012 and used to rehabilitate abandoned mines. Management in consultation with independent external advisors has concluded that this basis is an appropriate basis to estimate the likely actual costs to rehabilitate its sites. Any change in the restoration provision is recorded against the carrying value of the provision and the related asset, only to the extent that it is probable that future economic benefits associated with the restoration expenditure will flow to the entity, with the effect being recognised in the income statement on a prospective basis over the remaining life of the relevant operation. The restoration provision is considered to be non-current as there are no estimated costs arising within 12 months.

Contingent Liabilities

The Company was in ongoing litigation with both Dampier Gold Limited and Billabong Gold Pty Ltd during the discal year ended June 30, 2022. A judgement was delivered in respect of the Billabong matter on December 14, 2021. As a consequence, Billabong Gold Pty Ltd have decided to appeal that decision. The matter is currently before the WA Court of Appeal. The Dampier matter was heard before Justice Smith in March 2022. A decision was announced by Catalyst Metals Ltd and Superior Gold Inc on 31 October 2022. Catalyst and Superior noted that since the initial filing of the application, Dampier, a subsidiary of Vango Mining Limited has been acquired by Catalyst. The appeal overturns a prior ruling and confirms that Dampier (a subsidiary of Catalyst) is to offer Billabong (a subsidiary of Superior) the right to purchase a 40% interest in the now Catalyst beneficially held Marymia Gold Project tenements, which neighbor the Plutonic Gold Mine. At present the Directors do not believe that it is reasonably possible to estimate any potential obligation in relation to these matters with sufficient reliability and consequently no provisions or contingent liabilities have been raised or disclosed in the financial statements. The Directors do not believe that the settlement of any obligations arising from these matters will be material.

Financial Instruments

The Company's significant accounting policies regarding its financial instruments are set out in the company's audited consolidated financial statements for the year ended June 30, 2022, except as noted below in the section labelled 'Adoption of New or Amended Accounting Policies'. The Company is of the opinion that it is not exposed to significant interest, currency or credit risks arising from outstanding financial instruments.

Compound financial instruments issued by the Company comprise convertible notes denominated in AUD that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in

Note 13 Investments Accounted for Using the Equity Method (Key Judgement) fair value. The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instruments as a whole and the fair value of the liability component.

Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured. Interest related to the financial liability is recognized in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

The Company derecognizes financial liabilities when and only when the Company's obligations are discharged, canceled, or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Foreign exchange risk arises from future commercial transactions and recognized financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. At the date of these MD&A, the Company does not have any exposure to foreign currencies.

The company is not exposed to any price risk at the time of these MD&A as it does not derive any revenue from the sale of products.

The Company raised a secured convertible note of \$10 million from Collins St Value Fund (CSVF) in April 2022, in two tranches. Tranche 1 was approved by the Company's shareholders at a general meeting held on 16 June 2022, that will be issued with a subscription value of \$7.5 million for a term of 24 months after issue, interest is accrued biannually at 10% per annum with interest payable on repayment or conversion. The notes are convertible at 6 cents per share. Tranche 2 will be subject to the Company's shareholders' approval, and the Company's future requirements for funds, within 12 months from the issue of Tranche 1 convertible notes. Tranche 2 will be issued with a subscription value of \$2.5 million that may be converted at 6 cents per share.

Adoption of New or Amended Accounting Policies

There have been no new material accounting standards or amendments to accounting standards, effective June 30, 2022 which the Company has adopted.

Recent Accounting Pronouncements

Standards issued but not yet effective up to the date of issuance of the Company's consolidated financial statements are disclosed in the condensed consolidated interim financial statements.

Outstanding Share Data

The following table summarizes the capitalization of the Company as at June 30, 2022, the date of this MD&A:

	Exercise price	Expiry date	Quantity
Number of common shares issued			
Common shares	Not applicable	Not applicable	1,259,937,632
Number of common shares issuable			
Unquoted Options	0.21	19 December 2022	9,864,406
Unquoted Options	0.112	20 August 2023	6,000,000
Performance Options	0.30	18 June 2024	25,000,000
Performance Options	0.35	18 June 2024	12,500,000
Performance Options	0.50	18 June 2024	12,500,000
Performance Options	0.60	18 June 2024	25,000,000
			90,864,406

Risks and Uncertainties

As of the date of this MD&A, Vango is a wholly-owned subsidiary of Catalyst Metals Limited (“Catalyst”). Catalyst’s business, being the acquisition, exploration, and development of mineral properties in Australia, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones below (which apply to Catalyst, and as a result, to Vango), could materially affect Catalyst’s financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to Vango and/or Catalyst. See the cautionary notes in this regard, with respect to forward-looking statements, above in this MD&A. The reader should carefully consider these risks as well as the information disclosed in the management information circular to which this MD&A is attached, as well as other publicly filed disclosure regarding the Company, which are available on the ASX website www.asx.com.au.

Funding risks and capital requirements

Catalyst’s future capital requirements will depend on a number of factors including (without limitation) further acquisitions, integration costs, divestments and commodity prices. Catalyst may be required to seek additional financing (either in the form of debt or equity) and there is no guarantee that the Catalyst will be able to secure the required level of funding. Any debt financing, if available, may involve restrictions on the Catalyst’s financing and operating activities, or its business strategy and additional equity financing may dilute shareholders and may be undertaken at lower prices than the current market price. No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Catalyst or at all. If the Catalyst is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on Catalyst’s operations and financial position.

Exploration and development risks

The business of mineral exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. There is no guarantee of development of any of Catalyst’s projects. Ultimate and continuous success of activities is dependent on many factors such as, without limitation: (i) the discovery and/or acquisition of economically recoverable reserves; (ii) access to adequate capital for project development; (iii) design and construction of efficient development and production infrastructure within capital expenditure budgets; (iv) securing and maintaining title to tenements; (v) obtaining regulatory consents and approvals necessary for the conduct of mineral exploration, development and production; (vi) securing plant and equipment, particularly given equipment utilisation rates are high in the current period of Western Australian exploration/production activity, hence competition for such equipment may also be high; and (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Even a combination of experience, knowledge and careful evaluation may not be able to overcome the inherent risks associated with exploring prospective tenements. There can be no assurance that exploration of the tenements (or any other tenements that may be acquired in the future), will result in the development of economically viable deposits of gold or other minerals. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of Catalyst’s projects, a reduction in the cash reserves of Catalyst and possible relinquishment of part or all of its projects.

Operating risk

Catalyst’s assets and mining operations, as any others, will be subject to uncertainty with respect to (among other things): ore tonnes, mine grade, ground conditions, metallurgical recovery or unanticipated metallurgical issues (which may affect extraction costs), infill resource drilling, mill performance, the level of experience of the workforce, operational environment, funding for development, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment, storms, floods, bushfires or other natural disasters.

The occurrence of any of these circumstances could result in Catalyst not realising its operational or development plans, or plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on Catalyst’s financial and operational performance.

Potential acquisitions and associated risks

Catalyst continues to receive and be engaged in approaches from third parties in relation to potential acquisitions, mergers and investment opportunities. Catalyst has a history of such transactions in the pursuit of growth and increasing shareholder value. The Catalyst directors presently expect acquisition and merger activity to form an increasing aspect of Catalyst’s strategy to increase shareholder returns in the future. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of resource projects, including due diligence risks, execution risks (including the incurrence of potentially significant transaction costs), dilution risks (where equity is used to fund the acquisition) or credit risks (where debt is used).

Notes

This Management's Discussion and Analysis ("MD&A") dated May 14, 2023, should be read in conjunction with Vango Mining Limited's ("Vango" or the "Company") Annual Report for the 12 months to 30 June 2021 ("Annual Report 2021") which was prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). The following is intended to supplement and complement the financial statements and notes thereto of the Company. All dollar figures stated herein are expressed in thousands of Australian dollars ("Australian dollars"). The Company's public filings can be viewed on the ASX website (www.asx.com.au) and on the Company's website (www.catalystmetals.com.au).

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

John McKinstry, an employee of Catalyst Metals Ltd and a "qualified person" within the meaning of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101") has reviewed and approved the scientific and technical information in this MD&A.

Description of the Business

Vango is a subsidiary of Catalyst Metals Limited, an Australian based gold exploration company that operates the Marymia Gold Project located in Western Australia. The Marymia Gold Project includes various exploration and mining leases situated 200km north of the Western Australian town of Meekatharra.

Full Year Highlights

Exploration Highlights

2021 Drill Program was completed targeting 20,000m Resource expansion drilling at Marymia Gold Project in the Mid-West region of Western Australia. The key exploration areas of focus for Vango is its flagship deposit Trident. Further activities were completed on other regional prospects, including Trident Deeps, Mars, Mareast, PHB-1, K1 and K2 with work also conducted on its Ned's Creek Farm-in Joint Venture. Exploration results for these areas are summarized below.

Trident Extension drilling:

- 9m@ 26.2 g/t Au from 137m incl. 2m@ 102.2 g/t au from 139m in VTRRC0066¹
- 7m@ 8.7 g/t Au from 110m incl. 2m@ 27.6 g/t Au from 110m and 1m@ 17.4 g/t Au from 114m in VTRRC00681²; and
- 4m@ 3.9 g/t from 161 m in VTRRC00691⁴
- 4m@ 6.3 g/t Au from 129m incl. 1 m@ 21.4 g/t Au from 131m VTRRC00681¹;

Results from other satellite prospects include:

- Trident Deeps:
7m @ 1.5 g/t from 268m incl. 3m @ 2.4 g/t Au, 1 m @ 2.6 g/t Au from 309m and 2m @ 2.4 g/t from 330m¹

¹ VAN ASX 06/01/2021 Bonanza Gold Zone Identified 250m from the Tridence Resource

² VAN ASX 18/02/2021 High Grade Gold Extensions at Trident

11.69m@ 3.9 g/t from 321.31 m incl. 1 m@ 25.27 g/t from 324m in VTRRCD0064¹

5.4m@ 1.7 g/t from 308m in VTRRCD0065¹

- Mars Extension

3m@ 2.82 g/t Au incl. 1m@ 6.13 g/t Au from 176m in VMWRC0029³

- Mareast

10m@ 3.40 g/t Au incl. 4m@ 4.09 g/t Au from 94m in VMERC0030⁴

- PHB-1:

18.0m @ 1.58g/t Au incl. 8.0m @ 2.29g/t Au (incl. 1 m @ 7.16g/t Au and 1 m @ 7.56g/t Au) from 290m in VHBRC0008⁵

- K2 Main Lode

3.0m @ 8.07 g/t Au incl. 1.0m @ 12.5 g/t Au from 87m in VHBRC0008⁶, and

3.0m @ 6.01 g/t Au incl. 1.4m @ 9.50 g/t Au from 89m in VHBRC0007⁷

- K1 open pit

6m@ 8.66 g/t Au incl. 2m@ 23.8 g/t Au from 128m in VK1RC00183⁸, and

4m@ 10.9 g/t Au incl. 2m@ 20.1 g/t Au from 161m in VK1RC00272⁹

- Ned's Creek JV

11 m @ 2.29 g/t Au incl. 1 m @ 15.2 g/t Au from 52m in VCTRC0015¹⁰

3m @ 3.61 g/t Au incl. 1 m@ 8.25 g/t Au from 46m in VCTRC0012¹¹

4m@ 78g/t Au from 140m in LNRC026123¹²;

4m@ 2.1 g/t from 144m incl. 1 mat 6.52g/t Au from 147m in VCTRC0061¹³

It was Vango's intention, upon receipt of all final assay results, to undertake a geological review and modelling of Marymia Project so to (i) update Marymia's JORC Resources; and (ii) plan appropriate drill campaigns for the following year.

Commenced FY 2022 Drill program in June 2021, with drilling targeting 11 priority open pits not currently part of Marymia's 1.02Moz JORC 2012 Resource.

³ See the Company's ASX Announcement of December 14, 2020.

⁴ See the Company's ASX Announcement of November 8, 2019.

⁵ See the Company's ASX Announcement of December 14, 2020.

⁶ See the Company's ASX Announcement of September 24, 2020.

⁷ See the Company's ASX Announcement of December 14, 2020.

⁸ See the Company's ASX Announcement of October 20, 2020.

⁹ See the Company's ASX Announcement of September 24, 2020.

¹⁰ See the Company's ASX Announcement of November 23, 2020.

¹¹ See the Company's ASX Announcement of November 23, 2020.

¹² See the Company's ASX Announcement of May 22, 2018.

¹³ See the Company's ASX Announcement of February 18, 2021.

Board of Directors Highlights

During the year, as part of the company's leadership review and refresh, the Honourable Craig Wallace joined as an Independent Non-executive Director during the December 2020 Quarter. Mining sector professional and geologist, Matthew Keegan, was also appointed as Non-Executive Director; although he subsequently resigned on 15 December 2020. Dr Carol Zhang also moved from her role as an Executive Director to that of Non-Executive Director.

Capital Raising Highlights

On June 15, 2020, the Company announced that it had received commitments to raise A\$15 million at A\$0.08 per share via a placement to fund drill programmes. Funds are to be used to target resource growth, test exploration targets, advance mining feasibility studies and general working capital. The Company also announced A\$2.4 million of drawn debt facilities were to be converted to equity at A\$0.08 per share. Placement was conducted in two tranches, with second tranche of Placement being approved by shareholders at a Company General Meeting held on 13 August 2020. At the same meeting, shareholders also approved the conversion of A\$2.4 million of debt into equity via the issue of 30.3 million new shares at A\$0.08 per share.

On June 15, 2021, Vango completed a further A\$6.1m placement issuing 93m fully paid ordinary Vango shares at \$0.065 per share to fund ongoing field work programs.

Impact of COVID-19

On March 11, 2020, the World Health Organization declared a global pandemic related to COVID-19. The impact on the Company's operations was minimal.

Key Business Developments

Marymia Gold Project

The Marymia Gold Project is located 200km north of Meekatharra, within the Archaean Plutonic Marymia Greenstone Belt. It was previously in production during the 1990s, having produced nearly 1 million ounces of gold from open pit mining.

The project comprises various mining and exploration licences with all activities being at the exploration stage of mining.

Year-to-date Performance Summary - 12 Months to 30 June 2021

During the year ended June 30, 2021, the Australian dollar gold price decreased by approximately 6.7%. By June 30, 2021, quarterly inflation in the Australian economy had increased to 3.1%.^[2] While these inflationary pressures were felt across Australia, Vango, being an employer of few personnel and limited contractors, with the majority of expenditure being that of drilling consumables related to exploration activities, the inflationary impact was less severe.

The Company is progressing a strategy focused on increasing gold endowment to support its ambitions of becoming a gold producer. To this end, the Company is focused on Stage 1 of a 20,000 metre drill program, testing various exploration targets.

The geology of the Marymia Gold Project and Ned's Creek JV, with significant prospects and key mineralised corridors, are shown on Figure 1 below.

^[2] www.abs.gov.au

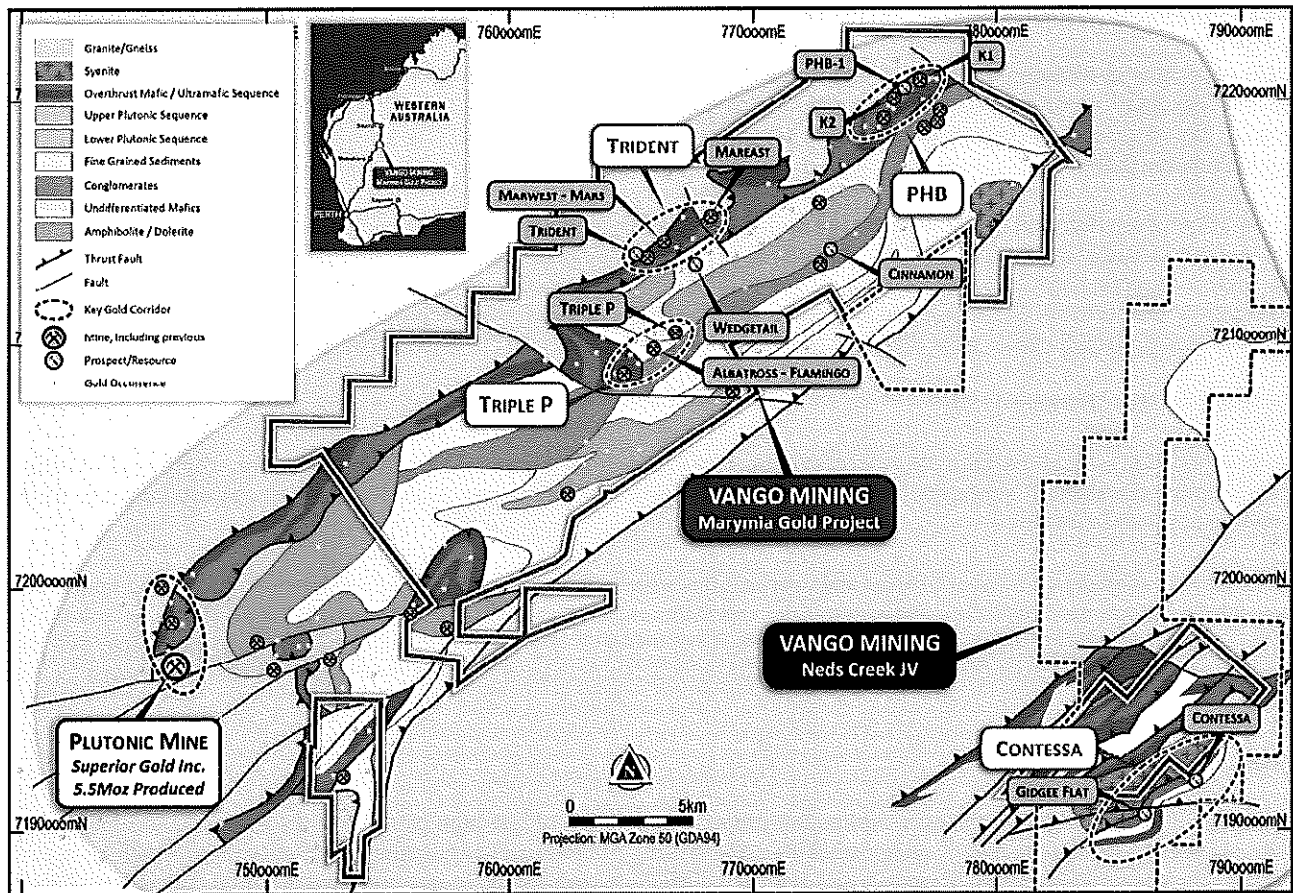


Figure 1: Marymia Gold Project and Ned's Creek JV tenements outline and geology with key prospects

A major Drilling Program was undertaken in the PHB Corridor testing high-grade extension and shoot repeat targets, as well as large scale Plutonic analogue targets, commenced during the Quarter. A total of 54 RC and diamond drillholes was completed for 11,600m of a 20,000m drilling program.

New, high-grade, lode discovery below K1 open pit. Significant, new, high-grade intersections have been produced from drilling below the K1 open pit in the PHB-Corridor including:

- 4m @ 10.9 g/t Au incl 2m @ 20.1 g/t Au from 161m in VK1RC00272¹⁴
- 6m @ 8.66 g/t Au including 2m @ 23.8 g/t Au from 128m in VK1RC00183 4m @ 5.16 g/t Au incl 1m @ 13.7 g/t Au from 78m in VK1RC00212¹⁵

The flagship Trident corridor drilling included:

- four initial RC holes testing down-plunge to the northeast of the Mareast open pit where previous intersections including 10m @ 22.6 g/t Au from 50m were produced.
- Seven 7 RC holes testing down plunge to the southwest of the Mars prospect where previous intersections including 9m @ 12.7 g/t from 54m were produced, projecting towards the Trident resource, and,
- nine RC holes testing along strike to the northeast of the Trident high-grade resource, which is open to the northeast and may link with Mars zone 1 km along strike.

¹⁴ See the Company's ASX Announcement of September 24, 2020.

¹⁵ See the Company's ASX Announcement of October 20, 2020.

These programs offered significant potential to expand high-grade resources at relatively shallow depth.

In addition, diamond drilling is testing for extensions of both the Trident high-grade zone and the Plutonic Mine-Mafic unit within the structural corridor defined by steeply dipping faults that extend from Trident to a large scale target area termed 'Neptune', 2km northeast of Trident (Figure 6). The program is co-funded by the WA Government through the Exploration Incentive Scheme (EIS).

The first of two deep diamond drillholes has been completed, having intersected the targeted upper zone of Trident style biotite-sulphide mineralisation from 120m to 137m and 161m to 172m down hole, then passed through ultramafic serpentinite from 172m until intersecting the Mine-Mafic from 357m to 402m and completing in the footwall ultramafic. The Trident style mineralisation intersected is 2km along strike of the lower shoot at Trident and offers a possible step-change in terms of resource potential for the project. Samples from this zone are being processed and results are expected by mid-November.

Ned's Creek JV (VAN Earning 51%)

Drilling on the Ned's Creek Farm-in JV project (Figure 1) with Lodestar Minerals Ltd (ASX: LSR), was completed with four RC holes testing the shallow 'supergene' zone at Contessa and four pre-collars completed for the diamond drilling stage of the program, to commence shortly.

The Company is subject to a number of risks and uncertainties which are inherent in mineral exploration and mining operations. These include but are not limited to commodity price exposure, exchange rate risk, exploration risk, operating risk and others which are discussed further in this MD&A. Management is not aware of any events or commitments of the Company, that that they are aware of, and that exist at the time of this MD&A which could materially affect the company's future performance and financial performance.

Outlook

The primary objective of the Company's exploration program is to add multiple high grade deposits in close proximity to one another. At present the Company has commenced its 2021 drilling program and is targeting 11 priority targets with an aim of increasing Marymia's 1Moz JORC Resource at 3.0 g/t Au. Drilling is anticipated to be conducted across the Skyhawk, Parrot, Apollo and Prickleys Prospects with the intention to deliver an increase to the Company's Resources in 12 months' time.

As of the date of this MD&A, the Company's expectations and business strategy are driven by Catalyst Metals Limited, and are subject a number of risks and uncertainties within the business and operations of Catalyst Metals Limited, which are inherent in mineral exploration and mining operations, and accordingly, there can be no assurance that the Company will achieve its anticipated business objectives and milestones, as contemplated and within the timelines contemplated, or at all. See also, the risk factors referred to at the end of this MD&A.

Results of Operations

The financial statements are presented in Australian dollars, which is the Company's functional currency.

Operating Income (Loss)

As a junior exploration company, the Company has no expectation of generating operating profits until it develops a commercially viable mineral deposit.

Operating loss for the twelve months ended June 30, 2021 was A\$4,814,038 compared to \$7,152,690 for the twelve months ended June 30, 2020. This was due to a \$2,338,652 reduction in general and administrative expenses.

Summary of Annual Financial Results

	12-month period ended June 30, 2019	12 month period ended June 30, 2020	12 month period ended June 30, 2021
Revenue	-	-	-
Operating Income (loss)	(21,329,210)	(7,152,690)	(4,814,038)
Net Loss attributable to Company shareholders	(21,329,210)	(7,152,690)	(4,814,038)
Net loss per share attributable to Company's shareholders - basic	(3.73)	(1.01)	(0.49)
Net loss per share attributable to Company's shareholders - diluted	(3.73)	(1.01)	(0.49)
Cash and cash equivalents	1,489,801	3,949,054	6,186,363
Total assets	33,851,293	46,359,931	56,966,646
Total Current liabilities	19,068,495	8,076,672	4,156,343
Total Liabilities	25,561,832	16,661,964	13,384,577

General and administrative

For the twelve months ended June 30, 2021, general and administrative expenses were \$5,241,747 (twelve months ended June 30, 2021: A\$7,288,551). The decrease was caused by a decrease in interest expense of A\$310,000, a decrease in consulting fees of A\$348,000. Lower employee costs of A\$636,000, decrease in losses on shares to settle liabilities of \$1,050,000 and lower other expenses of A\$271,000.

Net income (loss) for the period ended

The total net loss of A\$4,814,038 for the twelve months ended June 30, 2021 resulted primarily from general administrative expenses of A\$5,241,747. The total net loss of A\$7,152,690 for the twelve months ended June 30, 2020 resulted primarily from the same expenditure as in 2021, ongoing general and administrative costs.

Financial Position as at March 31, 2023

Cash from (used in) Operating Activities

During the twelve months ended June 30, 2021 there was no cash generated from operating activities

For the twelve months ended June 30, 2021, cash outflows from operating activities amounted to A\$3,956,100 (twelve months ended June 30, 2021: A\$1,929,820). Payments to suppliers and employees comprised A\$4,150,668 and net interest income of A\$194,104.

Cash used in Investing Activities

Cash outflows used in investing activities in the 12 months ended June 30, 2021 amounted to A\$7,160,409, comprising primarily of exploration and evaluation activities of A\$8,153,873 (12 months ended June 30, 2020: A\$5,726,613) and property, plant and equipment additions of A\$586,641 (12 months ended June 30, 2020: A\$201,814). There were also proceeds from the sale of financial assets of A\$1,662,559 (12 months ended June 30, 2020: A\$nil)

Dividends

The Company has neither declared nor paid any dividends on its Common Shares. The Company does not generate revenue and does not have any immediate plans to pay any dividends on its Common Shares.

Liquidity and Capital Resources

As at June 30, 2021, the company had consolidated cash balance of A\$6.2m (June 30, 2020: A\$1.9m).

On 15 June 2020, the Company announced that it had received commitments to raise A\$15 million at A\$0.08 per share via a placement to fund drill programmes. Funds are to be used to target resource growth, testing exploration targets, advancing mining feasibility studies and general working capital. Later, in the same year, on 15 June 2021, Vango completed a further

A\$6.1m placement issuing 93 million fully paid ordinary Vango shares at \$0.065 per share to fund ongoing field work programs.

Vango does not generate its own cashflows. It is an exploration company and as such relies on raising third party capital. During the course of the year, Vango depleted cash reserves through the funding of exploration expenditure and general working capital requirements. Vango will have an ongoing requirement to raise capital while it remains an exploration company.

The Company is subject to risks and challenges similar to other companies in a comparable stage of operation, exploration and development. These risks include, but are not limited to, losses, successfully raising cash flows through debt or equity markets and the successful operation and development of its mineral property interests to satisfy its commitments and continue as a going concern.

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Commitments & Contingencies

In the twelve months ended June 30, 2021, the Company had no capital commitments for property, plant and equipment.

Critical Accounting Policies and the Use of Estimates

The discussion and analysis of the Company's financial condition and results of operations are based upon its financial statements which have been prepared in accordance with IFRS. The preparation of financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates under different assumptions or conditions.

The impact of financial instruments and areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in more detail in the Company's audited annual financial statements for the year ended June 30, 2021, which are available on the ASX website at www.asx.com.au.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

The Company's investments are accounted for using the equity method are periodically tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is determined as the higher of the fair value less cost of disposal.

The consolidated entity retains a 49% interest in the joint venture entity Sino Australian Resources (Laos) Co. Ltd ("SIRCO"). Which is incorporated in Laos PDR and is involved in the exploration of Bauxite resources in the Bolaven Plateau in Laos. The Company's interest in the Joint Venture was fully impaired in 2017. Management have exercised their judgement in determining that the Company's interest in the Joint Venture remains fully impaired.

Provision for Site Rehabilitation

In accordance with the Company's legal requirements, provision is made for the anticipated costs of future restoration and rehabilitation of areas from which natural resources have been extracted. The provision has been based upon the levies in accordance with the requirements of the Government of Western Australia under the Mining Rehabilitation Fund Act 2012 and used to rehabilitate abandoned mines. Management in consultation with independent external advisors has concluded that this basis is an appropriate basis to estimate the likely actual costs to rehabilitate its sites. Any change in the restoration provision is recorded against the carrying value of the provision and the related asset, only to the extent that it is probable that future economic benefits associated with the restoration expenditure will flow to the entity, with the effect being recognised in the

income statement on a prospective basis over the remaining life of the relevant operation. The restoration provision is considered to be non-current as there are no estimated costs arising within 12 months.

(iv) Contingent liabilities

Dampier Gold Ltd

On 14 November 2019 the Company advised Dampier Gold Limited (ASX:DAU) (Dampier) by letter that it would not grant further extension to the earn-in period under the Binding Term Sheet for the K2 joint venture. Vango concluded that it would be in the best interests of both companies and their shareholders to not extend the termination date any further. On 12 February 2020, Dampier served a letter of demand for an amount totaling \$21.57 million being their estimate of losses arising from their claim of non-performance by the consolidated entity under the binding Term sheet for a farm in agreement on the K2 mining lease M52/183. This case is not expected to be brought to trial until April 2022 at the earliest. It is the position of the Directors that the claim will be unsuccessful. To this extent, the Directors have exercised their judgement in concluding that it is not necessary to raise any provision in this regard. In addition, the Directors have concluded that the possibility of any settlement by the Company in this regard is remote and consequently no contingent liability disclosures have been included in the financial statements.

Billabong Gold Pty Ltd

The Company filed its defense of a Billabong Gold Pty Ltd claim in February 2019. Billabong is seeking a declaration that the Company and DPPL (previously owned by Dampier Gold Limited) breached an alleged first right of refusal under an Ore Treatment Agreement and further seeks an injunction requiring the Company and DPPL to comply with Billabong's alleged first rights of refusal or, alternatively, damages. The case was brought to trial before the Supreme Court of Western Australia on the 23rd August 2021. It is the position of the Directors that the claim is spurious and will be unsuccessful. To this extent, the Directors have exercised their judgement in concluding that it is not necessary to raise any provision in this regard. In addition, the Directors have concluded that the possibility of any settlement by the Company in this regard is remote and consequently no contingent liability disclosures have been included in the financial statements.

Financial Instruments

The Company's significant accounting policies regarding its financial instruments are set out in the company's audited consolidated financial statements for the year ended June 30, 2021, except as noted below in the section labelled 'Adoption of New or Amended Accounting Policies'. The Company is of the opinion that it is not exposed to significant interest, currency or credit risks arising from outstanding financial instruments.

Compound financial instruments issued by the Company comprise convertible notes denominated in AUD that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in Note 13 Investments Accounted for Using the Equity Method (Key Judgement) fair value. The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instruments as a whole and the fair value of the liability component.

Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured. Interest related to the financial liability is recognized in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

The Company derecognizes financial liabilities when and only when the Company's obligations are discharged canceled, or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

The Company's activities exposure it to a variety of financial risks, including interest rate and price risk, credit risk and liquidity risk. The Company's overall risk in these areas is not significant enough to warrant a formalized specific risk management program. Risk management is carried out by the Board of Directors in their day-to-day function as the overseers of the business.

Foreign exchange risk arises from future commercial transactions and recognized financial assets and financial liabilities denominated in a current that is not the entity's functional currency. At the date of these MD&A, the Company does not have any exposure to foreign currencies.

The company is not exposed to any price risk at the time of these MD&A as it does not derive any revenue from the sale of products.

Adoption of New or Amended Accounting Policies

There have been no new material accounting standards or amendments to accounting standards, effective June 30, 2021 which the Company has adopted.

Recent Accounting Pronouncements

Standards issued but not yet effective up to the date of issuance of the Company's consolidated financial statements are disclosed in the condensed consolidated interim financial statements.

Outstanding Share Data

The following table summarizes the capitalization of the Company as at June 30, 2021, the date of this MD&A:

	Exercise price	Expiry date	Quantity
Number of common shares issued			
Common shares	Not applicable	Not applicable	1,099,168,401
Number of common shares issuable			
Unquoted Options	0.21	19 December 2022	9,864,406
Unquoted Options	0.112	20 August 2023	6,000,000
Performance Options	0.25	18 June 2022	12,500,000
Performance Options	0.25	18 June 2022	12,500,000
Performance Options	0.30	18 June 2024	25,000,000
Performance Options	0.35	18 June 2024	12,500,000
Performance Options	0.50	18 June 2024	12,500,000
Performance Options	0.60	18 June 2024	25,000,000
			115,864,406

Risks and Uncertainties

As of the date of this MD&A, Vango is a wholly-owned subsidiary of Catalyst Metals Limited ("Catalyst"). Catalyst's business, being the acquisition, exploration, and development of mineral properties in Australia, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones below (which apply to Catalyst, and as a result, to Vango), could materially affect Catalyst's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to Vango and/or Catalyst. See the cautionary notes in this regard, with respect to forward-looking statements, above in this MD&A. The reader should carefully consider these risks as well as the information disclosed in the management information circular to which this MD&A is attached, as well as other publicly filed disclosure regarding the Company, which are available on the ASX website at www.asx.com.au.

Funding risks and capital requirements

Catalyst's future capital requirements will depend on a number of factors including (without limitation) further acquisitions, integration costs, divestments and commodity prices. Catalyst may be required to seek additional financing (either in the form of debt or equity) and there is no guarantee that the Catalyst will be able to secure the required level of funding. Any debt financing, if available, may involve restrictions on the Catalyst's financing and operating activities, or its business strategy and additional equity financing may dilute shareholders and may be undertaken at lower prices than the current market price. No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Catalyst or at all. If the Catalyst is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on Catalyst's operations and financial position.

Exploration and development risks

The business of mineral exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. There is no guarantee of development of any of Catalyst's projects. Ultimate and continuous success of activities is dependent on many factors such as, without limitation: (i) the discovery and/or acquisition of economically recoverable reserves; (ii) access to adequate capital for project development; (iii) design and construction of efficient development and production infrastructure within capital expenditure budgets; (iv) securing and maintaining title to tenements; (v) obtaining regulatory consents and approvals necessary for the conduct of mineral exploration, development and production; (vi) securing plant and equipment, particularly given equipment utilisation rates are high in the current period of Western Australian exploration/production activity, hence competition for such equipment may also be high; and (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Even a combination of experience, knowledge and careful evaluation may not be able to overcome the inherent risks associated with exploring prospective tenements. There can be no assurance that exploration of the tenements (or any other tenements that may be acquired in the future), will result in the development of economically viable deposits of gold or other minerals. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of Catalyst's projects, a reduction in the cash reserves of Catalyst and possible relinquishment of part or all of its projects.

Operating risk

Catalyst's assets and mining operations, as any others, will be subject to uncertainty with respect to (among other things): ore tonnes, mine grade, ground conditions, metallurgical recovery or unanticipated metallurgical issues (which may affect extraction costs), infill resource drilling, mill performance, the level of experience of the workforce, operational environment, funding for development, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment, storms, floods, bushfires or other natural disasters.

The occurrence of any of these circumstances could result in Catalyst not realising its operational or development plans, or plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on Catalyst's financial and operational performance.

Potential acquisitions and associated risks

Catalyst continues to receive and be engaged in approaches from third parties in relation to potential acquisitions, mergers and investment opportunities. Catalyst has a history of such transactions in the pursuit of growth and increasing shareholder value. The Catalyst directors presently expect acquisition and merger activity to form an increasing aspect of Catalyst's strategy to increase shareholder returns in the future. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of resource projects, including due diligence risks, execution risks (including the incurrence of potentially significant transaction costs), dilution risks (where equity is used to fund the acquisition) or credit risks (where debt is used).

Commodity price risk and exchange rate risk

Catalyst earns revenue from the sale of mineral products. In such circumstance, its revenue may be closely related to the price and arrangements it enters into for selling of its products. Product prices fluctuate and are affected by factors including the relationship between global supply and demand for gold, forward selling by producers, the cost of production and general global economic conditions. Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand issues. These factors may have an adverse effect on Catalyst's exploration, development and production activities as well as its ability to fund those activities.

Reliance on key personnel

Catalyst's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. The loss of the services of one or more of such key management personnel could have an adverse effect on Catalyst. Catalyst ability to manage its exploration and development activities, and hence its success, will depend in large part on the efforts of these individuals. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

Environmental liabilities risk

Catalyst's activities are subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration. Insurance against environmental risk (including

potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration) is not generally available to Catalyst (or to other companies in the minerals industry) at a reasonable price. To the extent that Catalyst becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to Catalyst and could have a material adverse effect on Catalyst. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

Litigation risk

Catalyst will be exposed to possible litigation risks including native title claims, tenure disputes, disputes in relation to the interpretation of royalty agreements or other contractual entitlements, environmental claims, occupational health and safety claims and employee claims. Further, Catalyst may be involved in disputes with other parties now or in the future which may result in litigation or other forms of dispute resolution procedure. Any such claim or dispute if proven, may impact adversely on Catalyst's operations, financial performance and financial position.

Unforeseen expenses

Catalyst may be subject to significant unforeseen expenses or actions. This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events.

Litigation

It is possible that Catalyst may be involved in disputes and litigation in the course of its future operations. There is a risk that any material or costly dispute or litigation and compensation or damages could adversely impact the financial position or performance of Catalyst.

EXHIBIT "C" TO THIS APPENDIX "I"
CATALYST AND VANGO FINANCIAL STATEMENTS

See attached.



CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES

ABN 54 118 912 495

INTERIM FINANCIAL REPORT

FOR THE PERIOD ENDED 31 MARCH 2023

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CORPORATE DIRECTORY

DIRECTORS

Stephen Boston (Chairman)
Bruce Kay (Non-Executive Director)
Robin Scrimgeour (Non-Executive Director)
James Champion de Crespigny (Managing Director)

COMPANY SECRETARY

Frank Campagna

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

Unit 9, Churchill Court
331-335 Hay Street
Subiaco, Western Australia 6008

Telephone: +618 6107 5878
Facsimile: +618 9284 5426
Email: admin@catalystmetals.com.au
Website: www.catalystmetals.com.au

AUDITORS

RSM Australia Partners
Level 32, 2 The Esplanade
Perth WA 6000

SHARE REGISTRY

Automic Pty Ltd
Level 2
191 St Georges Terrace
Perth, Western Australia 6000

STOCK EXCHANGE LISTING

The Company is listed on the Australian Securities Exchange
Home Exchange: Perth
ASX Code: CYL

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2023

		31 March 2023	30 June 2022
	Note	\$	\$
Current Assets			
Cash and cash equivalents	7	35,032,764	18,242,571
Other financial assets	7	3,018,652	3,000,000
Trade and other receivables		2,377,310	3,431,293
Inventory		6,736,257	5,705,826
Total Current Assets		47,164,983	30,379,690
Non-Current Assets			
Receivables		47,087	36,500
Property, plant and equipment		12,469,815	11,186,630
Mining development assets	8	22,650,142	20,428,429
Exploration and evaluation expenditure	9	115,716,628	17,507,557
Investment		1,143	-
Total Non-Current Assets		150,884,815	49,159,116
TOTAL ASSETS		198,049,798	79,538,806
Current Liabilities			
Trade and other payables		24,864,456	12,002,700
Other – advances	10	2,884,104	1,514,999
Lease liabilities		33,769	639,760
Interest bearing liabilities	11	13,680,091	1,509,281
Employee benefits		966,434	1,589,103
Total Current Liabilities		42,428,854	17,255,843
Non-Current Liabilities			
Lease liabilities		-	123,979
Deferred consideration payable		800,000	800,000
Interest bearing liabilities	11	455,117	-
Employee benefits		631,267	711,018
Provisions	12	6,649,082	2,927,690
Total Non-Current Liabilities		8,535,466	4,562,687
TOTAL LIABILITIES		50,964,320	21,818,530
NET ASSETS		147,085,478	57,720,276
Equity			
Contributed equity	13	167,744,190	73,238,523
Reserves		1,684,967	493,472
Accumulated losses		(22,343,679)	(16,011,719)
TOTAL EQUITY		147,085,478	57,720,276

The accompanying notes form part of this financial report

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
For the 9 Month Period Ended 31 March 2023

		31 March 2023 \$	31 March 2022 \$
Revenue from continuing operations	3	48,338,540	45,380,418
Other revenue	4	139,749	5,553,602
Interest revenue	4	73,908	44,010
Expenses			
Mining and processing costs		(19,804,336)	(22,665,510)
Depreciation and amortisation relating to gold sales		(9,881,628)	(5,052,853)
Royalties		(2,786,592)	(2,799,719)
Administration, corporate, occupancy and travel costs		(3,456,285)	(2,399,695)
Personnel		(15,458,811)	(9,789,952)
Depreciation		(1,600,765)	(1,345,954)
Exploration and evaluation expenditure written off		(548,850)	(2,452,436)
Share-based payments expense	14	(1,191,495)	(445,300)
Interest expense		(155,395)	(143,586)
(Loss)/Profit before income tax expense		(6,331,960)	3,883,025
Income tax expense		-	-
(Loss)/Profit for the period		(6,331,960)	3,883,025
Other comprehensive income		-	-
Total comprehensive (loss)/income for the period		(6,331,960)	3,883,025
Total comprehensive (loss)/income attributable to members of the company		(6,331,960)	3,883,025
Basic (loss)/profit per share (cents per share)		(6.24)	3.95
Diluted (loss)/profit per share (cents per share)		(6.24)	3.95

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 9 Month Period Ended 31 March 2023

	Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total \$
Balance at 1 July 2021 * Restated	72,912,682	(18,103,217)	372,972	55,182,437
Profit for the period	-	3,883,025	-	3,883,025
Total comprehensive income for the period	-	3,883,025	-	3,883,025
Transactions with owners in their capacity as owners:				
Issue of shares	324,800	-	-	324,800
Issue of options	-	-	120,500	120,500
Balance at 31 March 2022	73,237,482	(14,220,192)	493,472	59,510,762
Balance at 1 July 2022	73,238,523	(16,011,719)	493,472	57,720,276
Loss for the period	-	(6,331,960)	-	(6,331,960)
Total comprehensive income for the period	-	(6,331,960)	-	(6,331,960)
Transactions with owners in their capacity as owners:				
Issue of shares (note 13)	94,505,667	-	-	94,505,667
Issue of options	-	-	-	-
Equity settled share-based payment transactions (note 14)	-	-	1,191,495	1,191,495
Balance at 31 March 2023	167,744,190	(22,343,679)	1,684,967	147,085,478

*Refer note 15 in the Financial Statements for detailed information on restatement of comparative.

The accompanying notes form part of this financial report.

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the 9 Month Period Ended 31 March 2023

	Note	31 March 2023 \$	31 March 2022 \$
Cash Flows from Operating Activities			
Receipts from customers (inclusive of GST)		48,338,540	45,380,418
Payments to suppliers, contractors and employees (inclusive of GST)		(34,377,134)	(37,523,417)
		13,961,406	7,857,001
Interest received		73,908	44,010
Payments for exploration and evaluation		(548,850)	(2,452,436)
Other income		89,749	553,602
Net cash flows from operating activities		13,576,213	6,002,177
Cash Flows from Investing Activities			
Payments for property, plant and equipment		(3,130,782)	(2,385,162)
Proceeds from sale of property, plant and equipment		650,000	-
Payments for exploration and evaluation expenditure		(6,227,308)	(5,869,765)
Payments for mine development assets		(10,659,403)	(6,348,738)
Net cash acquired with subsidiary	6	2,993,448	-
Payments for purchase of asset/business		(932,981)	(5,205,000)
Net cash flows (used in) investing activities		(17,307,026)	(19,808,665)
Cash Flows from Financing Activities			
Proceeds from issues of share (net of costs)		20,329,000	-
Premium funding received		761,830	791,345
Repayment of premium funding		(2,206,514)	(1,593,940)
Repayment of leases		(333,724)	(32,115)
Proceeds from borrowings		1,949,939	-
Repayment of borrowings		(498,691)	-
Joint venture exploration advances received		2,168,444	5,884,119
Joint venture exploration advances expended		(1,649,278)	(1,327,354)
Net cash flows from financing activities		20,521,006	3,722,055
Net increase/(decrease) in cash and cash equivalents		16,790,193	(10,084,433)
Cash and cash equivalents at the beginning of the period * Restated		18,242,571	30,518,541
Cash and cash equivalents at the end of the period	7	35,032,764	20,434,108

*Refer note 15 in the Financial Statements for detailed information on restatement of comparative. The accompanying notes form part of this financial report.

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For The 9 Month Period Ended 31 March 2023

1. SIGNIFICANT ACCOUNTING POLICIES

This interim financial report for the 9 month period ended 31 March 2023 has been prepared for the purposes of inclusion of financial information of Catalyst Metals Limited for the 9 month period ending 31 March 2023 in a Management Information Circular as required by the Toronto Stock Exchange that will be lodged with the Canadian courts prior to the Superior Gold Inc shareholder meeting.

This interim report for the 9 month period ended 31 March 2023 is a non-statutory General Purpose Financial Report and has been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures the financial report compliance with International Financial Reporting Standard IAS 34: Interim Financial Reporting.

The report does not include full disclosures of the type normally included in an annual financial report. It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by Catalyst Metals Limited and its controlled entities during the period in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

Reporting Basis and Conventions

The report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

New and Revised Accounting Standards

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2. SEGMENT INFORMATION

Identification of reportable operating segments

The consolidated entity is organised into two operating segments, being mining and exploration operations. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

Major customers

During the period ended 31 March 2023, \$48.3 million of segment revenue from one customer (prior period: three customers amounting to \$45.4 million) arising from the sale of gold and silver. No other single customer contributed 10% or more to the Group's revenue for the period.

Geographical information

The consolidated entity is one geographical segment, Australia.

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For The 9 Month Period Ended 31 March 2023

Operating segment information

Consolidated – 31 March 2023	Exploration \$	Mining operations \$	Total \$
Sales to external customers	-	48,338,540	48,338,540
Other revenue	69,000	70,749	139,749
Total segment revenue	69,000	48,409,289	48,478,289
Interest revenue	42,322	31,586	73,908
Total Revenue	111,322	48,440,875	48,552,197
EBITDA	(5,202,475)	10,434,394	5,231,920
Depreciation & amortisation			(11,482,393)
Net Interest			(81,487)
Loss before income tax expense			(6,331,960)
Income tax expense			-
Loss after income tax expense			(6,331,960)
Assets			
Segment assets	154,674,438	43,375,360	198,049,798
Total assets			198,049,798
Liabilities			
Segment liabilities	30,945,571	20,018,749	50,964,320
Total liabilities			50,964,320
Consolidated – 31 March 2022			
Sales to external customers	-	45,380,418	45,380,418
Other revenue	381,201	172,401	553,602
Total segment revenue	381,201	45,552,819	45,934,020
Interest revenue	32,010	12,000	44,010
Total segment revenue	413,211	45,564,819	45,978,030
Unallocated revenue			5,000,000
Total revenue			50,978,030
EBITDA	(3,320,440)	8,701,848	5,381,408
Depreciation & amortisation			(6,398,807)
Unallocated revenue			5,000,000
Net Interest			(99,636)
Profit before income tax expense			3,883,025
Income tax expense			-
Profit after income tax expense			3,883,025

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For The 9 Month Period Ended 31 March 2023

	31 March 2023 \$	31 March 2022 \$
3. REVENUE		
From Continuing Operations		
Sale of gold	47,756,402	44,859,536
Sale of silver	582,138	520,882
	<u>48,338,540</u>	<u>45,380,418</u>
Revenue from the sale of gold is recognised when the group satisfies its performance obligations under its contract with the customer by transferring such goods to the customer's control.		
Control is generally determined to be when the customer has the ability to direct the use and obtain substantially all of the remaining benefits from that good.		
4. OTHER REVENUE		
Research and development tax offset recovery	-	154,052
Administration recovery fees	69,000	227,149
Contingent Consideration recognised ⁽ⁱ⁾	-	5,000,000
Other	70,749	172,401
	<u>139,749</u>	<u>5,553,602</u>
INTEREST REVENUE		
Interest income	73,908	44,010
	<u>73,908</u>	<u>44,010</u>

- (i) Contingent consideration estimated at the date of acquisition of the Henty Gold Mine did not become payable, as the criteria for payment was not met and accordingly the amount has been derecognised through the profit and loss in the current period.

5. CONTINGENCIES

The Company does not have any contingent assets or contingent liabilities as at 31 March 2023.

6. ASSET ACQUISITION

On 10 January 2023, Catalyst issued a bid to acquire Vango Mining Limited ("Vango"), offering 5 Catalyst shares for every 115 Vango shares. On the 7th February 2023, Catalyst exceeded 50% ownership of Vango with the 90% compulsory acquisition threshold met on 21 February 2023. At the close of the takeover offer period on 6 March 2023, Catalyst held a relevant interest in 94.6% of Vango shares. Following completion of the compulsory acquisition process, Catalyst owned 100% of Vango Shares. Catalyst completed the compulsory acquisition on the 21 March 2023.

Management has determined the acquisition of the 100% interest into Vango does not meet the definition of a business within AASB 3 Business Combinations. This Transaction has been accounted for as an asset acquisition.

Management has considered all pertinent facts and circumstances in identifying the acquisition date and concluded the completion of the compulsory acquisition process represents the closing date of the asset acquisition.

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For The 9 Month Period Ended 31 March 2023

6. Asset acquisition (continued)

The fair value of the consideration paid amounted to \$74,420,000 and comprised the issue of 54,778,675 shares issued as consideration to the shareholders of Vango. Transaction costs were capitalised consistent with acquisition accounting principles.

Details of the purchase consideration are as follows:

	\$'000
Ordinary shares issued	74,420
Transaction costs	5,040
	<u>79,460</u>

The fair value of the purchase consideration has been allocated to the assets acquired and liabilities assumed as per the table below:

	Fair value \$'000
Cash and cash equivalents	2,993
Other current assets	153
Plant & Equipment	1,797
Exploration & Evaluation	93,942
Other payables	(2,957)
Borrowings	(12,800)
Provisions	(3,668)
Net assets acquired	<u>79,460</u>

Other information

The acquired asset contributed nil revenue from continuing operations and loss before tax of \$730,000 to Catalyst Metals Limited for the period from 7 February 2023 to 31 March 2023.

The following presents consolidated revenue and result of Catalyst Metals Limited as if the asset acquisition had occurred on 1 July 2022.

	9 month ended 31 March 2023 \$
Revenue from continuing operations	48,338,540
Other revenue	159,283
Interest revenue	74,159
Mining & processing costs	(19,804,336)
Depreciation and amortisation recognised in relating to gold sales	(9,881,628)
Royalties	(2,786,592)
Administration, corporate, occupancy and travel costs	(6,481,881)
Personnel	(15,458,811)
Depreciation	(1,600,765)
Exploration and evaluation expenditure written off	(548,850)
Share-based payments expense	(1,191,495)
Interest expense	(1,547,821)
(Loss)/Profit before income tax	<u>(10,730,197)</u>

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For The 9 Month Period Ended 31 March 2023

	31 March 2023 \$	30 June 2022 \$
7. CASH, CASH EQUIVALENTS AND OTHER FINANCIAL ASSETS		
Cash at bank	34,913,288	18,132,571
Cash on deposit	119,476	110,000
	<u>35,032,764</u>	<u>18,242,571</u>
Other financial assets		
Security deposit (cash at bank)	3,018,652	3,000,000
	<u>3,018,652</u>	<u>3,000,000</u>

The cash at bank as at 31 March 2023 includes \$935,481 (30 June 2022: \$2,162,673) held in trust by Catalyst Metals Ltd's subsidiaries, Kite Gold Pty Ltd (advanced by Gold Exploration Victoria Pty Ltd (**GEV**) as funds provided in advance for future exploration expenditure on the Four Eagles Gold Project Joint Venture and the Boort Joint Venture) and Tandarra Management Pty Ltd (advanced by Navarre Minerals Limited (**NML**) as funds provided in advance for future exploration expenditure on the Tandarra Gold Project Joint Venture).

	31 March 2023 \$	30 June 2022 \$
8. MINING DEVELOPMENT ASSETS		
Capitalised mine development	<u>22,650,142</u>	<u>20,428,429</u>
Opening Balance	20,428,429	18,749,849
Additions	10,659,403	8,535,021
Amortisation Expenses	<u>(8,437,690)</u>	<u>(6,856,441)</u>
Closing balance	<u>22,650,142</u>	<u>20,428,429</u>
9. EXPLORATION AND EVALUATION EXPENDITURE		
Opening balance	17,507,557	11,432,459
Additions	5,856,315	6,075,098
Less: Transfer	(1,588,769)	-
Acquisitions	<u>93,941,525</u>	<u>-</u>
Closing balance	<u>115,716,628</u>	<u>17,507,557</u>

The ultimate recoupment of balances carried forward in relation to areas of interest still in the exploration or evaluation phase is dependent on successful development, and commercial exploitation, or alternatively sale of the respective areas. The Group conducts impairment testing when indicators of impairment are present at the reporting date.

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For The 9 Month Period Ended 31 March 2023

	31 March 2023 \$	30 June 2022 \$
10. ADVANCES		
Opening balance of Advances	1,514,999	215,526
Advances received from Joint Venture Partners	2,168,444	9,019,797
Exploration expenditure	(1,649,278)	(7,720,324)
Other Advances received	849,939	-
Closing balance of (Receivable)/Advance	<u>2,884,104</u>	<u>1,514,999</u>

The (receivable)/advance from Joint Venture Partners relates to monies (receivable)/advanced (from)/to Kite Gold Pty Ltd and Tandarra Management Pty Ltd, Kite Operations Pty Ltd and Silkfield Holdings Pty Ltd for their contribution to exploration expenditure on the Four Eagles, Tandarra, Boort and Drummartin Gold Projects.

11. INTEREST BEARING LIABILITIES

Insurance Premium Funding	64,598	1,509,281
Finance Leases	240,860	-
Convertible Notes (i)	11,096,708	-
Embedded Derivative (i)	1,003,292	-
Equipment Loan	1,059,750	-
Other Borrowings	670,000	-
Closing balances	<u>14,135,208</u>	<u>1,509,281</u>

- (i) In connection with the Vango Mining Limited acquisition (note 6), the Group has issued a convertible note with a face value of \$12,100,000. The convertible note is repayable on 31 March 2024 but may be converted to equity before that time. The conversion feature has been accounted for as embedded derivative with a fair value at 31 March 2023 of \$1,003,292.

Assets pledged as security

The finance leases and equipment loan are secured over equipment.

	31 March 2023 \$	30 June 2022 \$
12. PROVISIONS		
Current	-	-
Non-current	6,649,082	2,927,690
Closing balances	<u>6,649,082</u>	<u>2,927,690</u>
Provision for rehabilitation	6,649,082	2,927,690
Closing balances	<u>6,649,082</u>	<u>2,927,690</u>

Rehabilitation

The provision represents the present value of estimated costs for future rehabilitation of land explored or mined by the consolidated entity at the end of the exploration or mining activity.

Movements in provisions

Movements in each class of provision during the current financial year are set out below:

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For The 9 Month Period Ended 31 March 2023

Rehabilitation provision	\$
Carrying amount at the start of the year	2,927,690
Additional provisions recognised	106,565
Provision acquired	3,614,827
Carrying amount at the end of the year	<u>6,649,082</u>

13. CONTRIBUTED EQUITY

	31 March 2023 Shares	30 June 2022 Shares	31 March 2023 \$	30 June 2022 \$
Ordinary shares – fully paid	174,684,823	98,456,148	167,586,405	73,080,738
Options Listed	-	-	157,785	157,785
Total Contributed Equity			<u>167,744,190</u>	<u>73,238,523</u>

Details	Number of Shares	Issue Price	\$
Balance at 30 June 2021	98,295,723		72,754,897
Issue of shares – to directors	135,000	\$2.03	274,050
Issue of shares – to consultant	25,000	\$2.03	50,750
Exercise of listed options	425	\$2.45	1,041
Balance at 30 June 2022	98,456,148		73,080,738
Issue of shares – capital raising	21,450,000	\$1.00	21,450,000
Less: transaction costs arising on share issues			(1,364,778)
Acquisition of Vango Mining Limited	54,778,675	\$1.36	74,420,445
Balance at 31 March 2023	174,684,823		167,586,405

Details	Number of Options	Issue Price	\$
Balance at 30 June 2021	7,881,996		157,785
Exercise of options	(425)	-	-
Lapse of options	(7,881,571)	-	-
Balance at 30 June 2022	-		157,785
Issue of options	-	-	-
Exercise of options	-	-	-
Balance at 31 March 2023	-		157,785

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For The 9 Month Period Ended 31 March 2023

14. PERFORMANCE RIGHTS

2,500,000 performance rights were granted to the Managing Director on 17 November 2022. The performance rights expire on 30 September 2026 and vest upon the Company's achieving performance hurdles. As at 31 March 2023, a probability of 100% was assigned for satisfaction of the vesting conditions. The share price on the grant date was \$1.35 resulting in a fair value of \$3,375,000.

The performance rights are recognised over the vesting period.

Class	Performance Hurdle	Quantity	Value recognised during the period	Value recognised in future years over the vesting period.
Tranche 1	Successful capital raising \$10m; or Actual annual gold production 40,000oz in rolling 12-month period.	700,000	\$945,000	\$0
Tranche 2	Actual annual gold production 80koz per annum in rolling 12-month period	800,000	\$109,553	\$970,447
Tranche 3	Actual annual gold production 100koz per annum in any rolling 12-month period	1,000,000	\$136,942	\$1,213,058
Total		2,500,000	\$1,191,495	\$2,183,505

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For The 9 Month Period Ended 31 March 2023

15. RESTATEMENT OF COMPARATIVE BALANCES

The restatement of comparative balances comprises:

- During the period to 31 March 2022, the Company completed the Purchase Price Accounting (PPA) for the Henty acquisition, which had been reported on a provisional basis as at 30 June 2021. The finalisation of the PPA resulted in the restatement of certain 30 June 2021 balances which had an impact on the statement of changes in equity, and
- The reclassification of security deposits which had previously been disclosed as cash and cash equivalents to other financial assets.
- The consolidated statement of profit or loss and other comprehensive income for the period ended 31 March 2022, and the consolidated statement of cash flow for the period ended 31 March 2022 comparatives has been presented for the first time and include impacts resulting from the finalisation of the PPA.

	Reported at 1 July 2021 \$	Reclass \$	Restated \$
Cash and cash equivalents at the beginning of the financial year	21,335,520	(3,000,000)	18,335,520
Cash and cash equivalents at the end of the financial year	33,518,541	(3,000,000)	30,518,541

	Reported at 1 July 2021	Effect of PPA \$	Restated \$
Statement of changes in equity			
Accumulated losses	(19,140,403)	1,037,186	(18,103,217)
Total Equity	54,145,251	1,037,186	55,182,437
Balance at 1 July 2021	54,145,251	1,037,186	55,182,437

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For The 9 Month Period Ended 31 March 2023

16. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1:

Name of Entity	Country of Incorporation	Equity Holding 31 March 2023 %
Silkfield Holdings Pty Ltd	Australia	100%
Kite Gold Pty Ltd	Australia	100%
Kite Operations Pty Ltd	Australia	100%
Tandarra Management Pty Ltd	Australia	100%
Nomad Metals Pty Ltd	Australia	100%
Unity Mining Pty Ltd	Australia	100%
Henty Gold Pty Ltd	Australia	100%
Four Eagles JV Property Pty Ltd	Australia	50%
Vango Mining Ltd	Australia	100%
Dampier Plutonic Pty Ltd	Australia	100%
Tanami Northern Gold Pty Ltd	Australia	100%
Nicholson East Pty Ltd	Australia	100%
Nicholson West Pty Ltd	Australia	100%
Suplejack Pty Ltd	Australia	100%
Coolan Yard Pty Ltd	Australia	100%
Ord River Resources (PNG) Pty Ltd	Australia	100%
Aileigh Pty Ltd	British Virgin Islands	100%
Carpe Diem Limited	Papua New Guinea	100%
Tampara Limited	Papua New Guinea	100%
Rotokas Limited	Papua New Guinea	100%

17. CONTINGENT LIABILITIES

Vango Mining Limited was in ongoing litigation with both Dampier Gold Limited and Billabong Gold Pty Ltd. A judgement was delivered in respect of the Billabong matter on 14 December 2021. As a consequence, Billabong Gold Pty decided to appeal that decision. On April 18, 2023 the Supreme Court of Western Australian published its decision on this matter and ruled that Billabong was entitled to relief in respect of a 2016 breach of a right of first refusal. The Group intends to appeal this decision. At present the Directors do not believe that it is reasonably possible to estimate any potential obligation in relation to these matters with sufficient reliability and consequently no provisions or contingent liabilities have been raised or disclosed in the financial statements.

A subsidiary of Vango Mining Limited, Sino Australia Resources (Laos) Co., Ltd (SARCO) is a joint venture project between Vango (49%) and China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd (NFC) (51%). Until 30 September 2009, Vango solely funded all exploration activities conducted by SARCO in Laos and since 1 October 2010 NFC has been funding ongoing exploration activities. In accordance with the Joint Venture agreement, at the time NFC's contribution had reached the level of Vango's initial contribution, both Vango and NFC are obliged to contribute their respective share of funding requirements for any further activity. An audit of Vango's contributions to SARCO JV expenditures from inception to 30 September 2009 was performed by NFC in 2012. On completion NFC challenged a total of \$1.1 million in expenditure that is currently included as part of the total Company contribution by the Group, although no formal claim has been made by NFC. The amount in dispute is \$1,109,000 which forms the contingent liability. Vango has the right to audit the NFC contributions. At this time no such audit has been undertaken, although any findings from such an audit may constitute a future claim by Vango on NFC.

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For The 9 Month Period Ended 31 March 2023

18. EVENTS AFTER REPORTING DATE

On 24 February 2023 Catalyst announced its intention to acquire Superior Gold Inc (Superior) by way of a unanimously recommended Plan of Arrangement (Transaction). The Transaction will be implemented by way of a statutory plan of arrangement under the Business Corporations Act (Ontario). The Transaction is subject to the approval of the Ontario Superior Court of Justice and requires the approval of 66⅔ per cent of the votes cast by Superior shareholders at the special meeting of shareholders of Superior. If approved, Catalyst will acquire 100% of Superior shares and issue approximately 44.5 million shares (Superior shareholders will receive 1 Catalyst Share for every 2.8 Superior Shares held).

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

19. DIVIDENDS

There were no dividends paid, recommended or declared during the period.

CATALYST METALS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For The 9 Month Period Ended 31 March 2023

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes:
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting, and other mandatory professional reporting requirements; and
 - b. give a true and fair view of the consolidated entity's financial position as at 31 March 2023 and of its performance for the period ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the directors



Stephen Boston
Chairman

Dated: 23 May 2023



RSM Australia Partners

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE DIRECTORS OF
CATALYST METALS LIMITED**

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying interim financial report of Catalyst Metals Limited, which comprises the condensed consolidated statement of financial position as at 31 March 2023, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the nine month period ended 31 March 2023 (period), notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the period end or from time to time during the period.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Catalyst Metals Limited does not give a true and fair view of the consolidated entity's financial position as at 31 March 2023 and of its performance for the financial period ended on that date, in accordance with Accounting Standard AASB 134 *Interim Financial Reporting*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Management and Directors' Responsibility for the Interim Financial Report

Management and the directors of Catalyst Metals Limited are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* including giving a true and fair view of the consolidated entity's financial position as at 31 March 2023 and its performance for the financial period ended on that date.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads "RSM".

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink, appearing to be "Matthew Beevers".

MATTHEW BEEVERS
Partner

Perth, Western Australia
23 May 2023



ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022

CATALYST METALS LIMITED

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CATALYST METALS LIMITED

CORPORATE DIRECTORY

DIRECTORS

Stephen Boston (Non-Executive Chairman)
Robin Scrimgeour (Non-Executive Director)
Bruce Kay (Non-Executive Director)
James Champion de Crespigny (Non-Executive Director)

COMPANY SECRETARY

Frank Campagna

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

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SHARE REGISTRY

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STOCK EXCHANGE LISTING

Catalyst Metals Limited is listed on ASX Limited
Home Exchange – Perth
ASX code: CYL

GENERAL INFORMATION

The financial statements cover Catalyst Metals Limited as a consolidated entity ("Group" or "consolidated entity") consisting of Catalyst Metals Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Catalyst Metals Limited's functional and presentation currency.

Catalyst Metals Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' Report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 30 September 2022. The Directors have the power to amend and reissue the financial statements.

CATALYST METALS LIMITED

CHAIRMAN'S LETTER

Dear Shareholder,

On behalf of the Board of Directors of Catalyst Metals Limited, it gives me great pleasure to present the Company's 2022 Financial Report. The 2022 financial year has been an important year for the Company as we achieved some significant milestones at both our Victorian exploration projects and our Henty Gold Mine in Tasmania.

I am particularly happy to announce a group EBITDA of \$7.4 million. This is an outstanding effort from our team in the face of a challenging period with increasing cost pressures, skill shortages and ongoing disruptions from COVID 19.

This result demonstrates that the Company's strategy of increasing production and lowering unit costs at the Henty Gold Mine is beginning to bear fruit. Our aim with the Henty acquisition was to demonstrate that we could be successful mine operators and, to the extent possible, generate cashflow to cover corporate and exploration costs. If successful, this would place the Company in a unique position amongst its peers and provide capital protection for shareholders throughout market cycles.

The 2022 financial year was a period of change with a number of key leadership appointments including John McKinstry as Chief Executive Officer and Valentine Utete as General Manager of Operations at Henty. The Company also welcomed James Champion de Crespigny, an experienced mining executive as Non-Executive Director following the retirement of Gary Schwab.

At Henty, operations have continued to improve throughout the year with throughput increasing to an annualised rate of 230,000tpa and gold production of 25,199oz for the year. Behind these headline numbers are numerous operational improvements our team has worked hard to deliver which I would like to take a moment to acknowledge. Across the operations from exploration, production, processing and support services, improvements are being realised which is both a credit to the team and also highlights the opportunities at Henty and supports the rationale behind the Company's acquisition.

The Company is committed to extending Henty's mine life and improving profitability, and we consider exploration fundamental to this strategy. During the year we announced a number of high-grade intercepts from our drilling activities. Some of these were in close proximity to existing underground mine infrastructure which will allow for low-cost conversion, others were in historically underexplored areas, including the Cradle Zone and Darwin South, which represent potentially attractive future mining zones.

In Victoria, the Company completed just over 50,000m of drilling across its exploration projects. Unfortunately, the impact of COVID hampered access to drill rigs and prevented key personnel from getting to Bendigo. This negatively impacted drilling results during the financial year.

Nonetheless, the drilling did prove successful in increasing the known mineralisation in close proximity to Boyd's Dam. This is an important milestone as this concentration of mineralisation alters the economics of any future operation that may exist, as it will allow ore to be sourced from multiple high-grade areas in close proximity to one another i.e. Boyd's Dam, Hayanmi, Pickles, Cunneens and Boyd East.

At the Four Eagles Gold Project, the Company announced that studies had commenced to evaluate the concept of an underground exploration tunnel. This is an important development for the project which would allow Catalyst to more accurately drill targets, lower drilling costs and allow exploration of other nearby prospects. The drilling to date has been from surface and is now at a point where the Company is confident that a Mineral Resource will be estimated in the coming financial year.

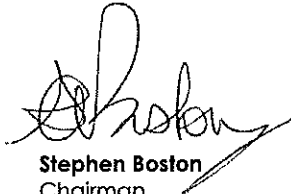
The Company has engaged industry leading consultants and conducted extensive community and stakeholder consultation as it works towards the submission of the underground exploration tunnel Work Plan with the Victorian Government.

The Board would like to especially acknowledge the outstanding work and effort of all our employees and our management teams, across our operations.

CATALYST METALS LIMITED

CHAIRMAN'S LETTER

Finally, the Board would like to acknowledge and thank all of its many loyal shareholders, our Joint Venture Partners and the many consultants and advisers, for all they have done to enhance and contribute towards the future growth of the Company as it continues to close in on the next Bendigo Goldfield and return Henty to its position as a long term, sustainable operation in Tasmania.



Stephen Boston
Chairman
30 September 2022

CATALYST METALS LIMITED

DIRECTORS' REPORT

The Directors of Catalyst Metals Limited present their report on the consolidated entity for the year ended 30 June 2022.

DIRECTORS

The names of the Directors in office at any time during or since the end of the financial year are:

Stephen Boston
Robin Scrimgeour
Bruce Kay
James Champion de Crespigny (Appointed 12 November 2021)

Gary Schwab (retired 12 November 2021)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

Frank Campagna

FINANCIAL POSITION

The net assets of the Group are \$57,720,276 as at 30 June 2022 (2021: \$55,182,437) * Restated.

CORPORATE STRUCTURE

Catalyst Metals Limited is a company limited by shares that is incorporated and domiciled in Australia.

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year were mineral exploration and evaluation and production of gold.

RESULTS OF OPERATIONS

The operating profit after income tax of the Group for the year ended 30 June 2022 was \$2,091,498 (2021: \$934,745) *Restated.

DIVIDENDS

No dividend has been paid during or is recommended for the financial year ended 30 June 2022.

**Refer Note 34 in the Financial Statements for detailed information on restatement of comparative.*

CATALYST METALS LIMITED

DIRECTORS' REPORT

REVIEW OF OPERATIONS

Victoria Introduction and Overview

Catalyst has significant interests in two retention licences (RL's) and thirteen exploration licences (EL's) over the Whitelaw Gold Belt and similar geological terranes both to the east and to the west (Figure 1). These licences total some 2,246 square kilometres in area with the addition of the Golden Camel Project, where Catalyst has the right to acquire an interest in the Golden Camel mining leases MIN5548 and MIN5570 (Golden Camel mine) (Figure 1).

The Whitelaw Fault is a 75 kilometre long geological structure thought to control the emplacement of the Bendigo gold deposits, which extends in a generally northerly direction from Bendigo in favourable Ordovician rocks beneath the covering veneer of the Murray Basin sediments. In particular, the Four Eagles and Tandarra Gold Projects (respectively 55 kilometres and 40 kilometres north-northwest of Bendigo) contain gold discoveries similar in structural style but differing mineralogically to the historic Bendigo goldfield. The regional fault systems parallel to the Whitelaw Fault also provide potential for Bendigo and/or Fosterville-style discoveries at the Drummartin, Boort and Golden Camel projects.

Significant developments during the financial year included the following:

Four Eagles Gold Project

- A systematic drill-out of the Boyd's Dam mineralisation during the year will allow reinterpretation of the geology and the creation of a block model for delivering a JORC compliant Resource in FY23.
- Focus shifted to the northern section of Hayanmi where a systematic drill out has commenced with the aim of proceeding to a Resource in 2023.
- An application seeking permission to create an underground access for diamond drilling was prepared during the year, with an aim of submitting in the new year. The tunnel at around 140m below surface will run parallel with Boyd's Dam and Hayanmi providing year-round access to cheaper more efficient drilling.

Tandarra Gold Project

- Drill rigs budgeted for Tandarra were not available in the limited season available on the Tandarra ground forcing the delay of the planned Resource drill out. The drill-out has been deferred to the new financial year.

Drummartin Project

- Air core and diamond drilling was conducted on Target 9 prospect.
- In June 2022, partners St Barbara Mining who were managing the program to earn 50% interest in the joint venture advised they would not proceed further due to other corporate priorities. The interest reverts back to Catalyst along with all information gathered since February 2020. The information arising from St Barbara Mining's \$2.2m works programme undertaken since February 2020 reverts to Catalyst.

Boort Project

- Air core drilling and assaying has been completed at four gravity geophysics targets resulting in anomalous gold intersections at BTG02. Further follow up drilling is planned.
- Encouragingly, 3m at 18.25 g/t Au from 0.6m at 0.95 g/t Au were intersected in this first exploration campaign.

Golden Camel Project

- Diamond drilling completed on depth extension target at the Golden Camel pit, with interpretation ongoing.

Other Exploration Projects

Air core drilling was carried out on the Mologa lease (EL006859) immediately to the east of Four Eagles, with interpretation ongoing.

Ground-based magnetics geophysics and geochemical soil sampling programs have been completed on a number of leases during the year, with results showing good potential for ongoing target generation despite the Murray Basin cover.

CATALYST METALS LIMITED

DIRECTORS' REPORT

COVID-19 pandemic management

Towards the end of 2021, exploration activities gradually became less affected by COVID-19 restrictions, most notably, drilling contractors were able to travel across state borders. Personnel management through COVID-19 mitigation processes continued to be effective, with little disruption due to infections.

FOUR EAGLES GOLD PROJECT

The Four Eagles Gold Project is a joint venture between Catalyst's 100%-owned subsidiary, Kite Gold Pty Ltd and Gold Exploration Victoria Pty Ltd (GEV). The project is managed by Catalyst and is jointly funded (50:50) by Catalyst and GEV within the Four Eagles Joint Venture.

The Four Eagles Joint Venture includes retention license RL006422 and adjoining EL's (Figure 1). The retention licence covers an envelope of gold mineralisation about 6 kilometres long and 2.5 kilometres wide with high grade gold occurring in multiple parallel structural zones trending roughly north-south (Boyd's Dam - Boyd North and Hayanmi as detailed on Figure 3). Additional prospective structural zones are shown including the Pickles and Cunneens prospects to the west and Boyd East and Eagle 5 and Eagle 6 to the east.

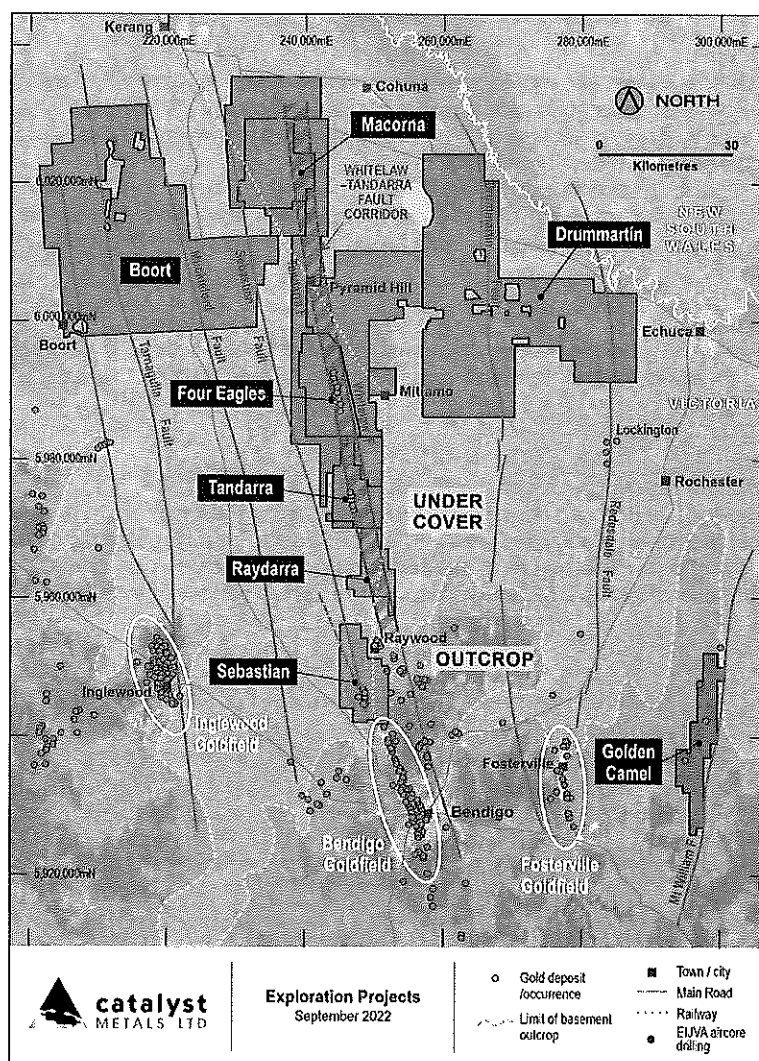


Figure 1: Whitelaw Gold Belt and Parallel Structural Zones showing Catalyst managed tenement holdings

CATALYST METALS LIMITED

DIRECTORS' REPORT

Drilling at Boyd's Dam - Boyd North during FY22 included diamond (DD), reverse circulation (RC) programs. The DD programmes produced further high-grade gold intersections at depth and a comprehensive RC program into the known mineralisation delivered significant results. As shown on Figure 2, some of the intersections recorded are:

- 9m @ 29.09g/t Au
- 3m @ 25.24g/t Au
- 8m @ 6.72g/t Au
- 1m @ 49.1g/t Au
- 7m @ 2.15g/t Au
- 16m @ 1.37g/t Au
- 14m @ 1.16g/t Au
- 9m @ 1.37g/t Au
- 5m @ 2.02g/t Au

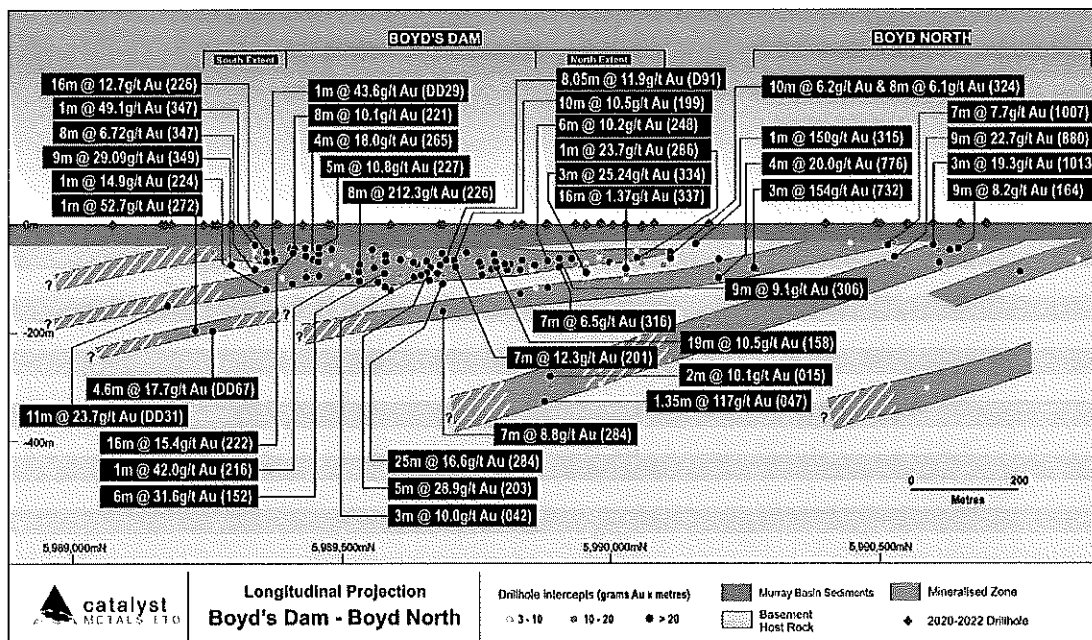


Figure 2: Longitudinal Projection of Boyd's Dam-Boyd North showing FY22 diamond and RC drill holes and significant intercepts

In April 2022 Catalyst employed Mr Adam Place to the position of General Manager – Victoria to accelerate plans for progressing Four Eagles to a development phase. This would involve development of an exploration tunnel beneath the Murray Basin Sediments to provide a drilling platform between the Boyd's Dam and Hayanmi prospects. The underground platform would provide year-round access for cheaper, deeper drilling as part of Feasibility Studies to determine the viability of future mining.

To undertake the exploration tunnel, Catalyst is required to submit a Works Plan to the Victorian Government. For the purpose of the Works Plan, investigations continued into the geotechnical and hydrogeological characteristics of cover sediments and basement rock in preparation for technical studies required for submission of the Works Plan.

Soon after year-end, all studies necessary for the submission of the Work Plan to the Victorian Government regulators were completed. Lodgement of the Works Plan is anticipated in Q2 FY23.

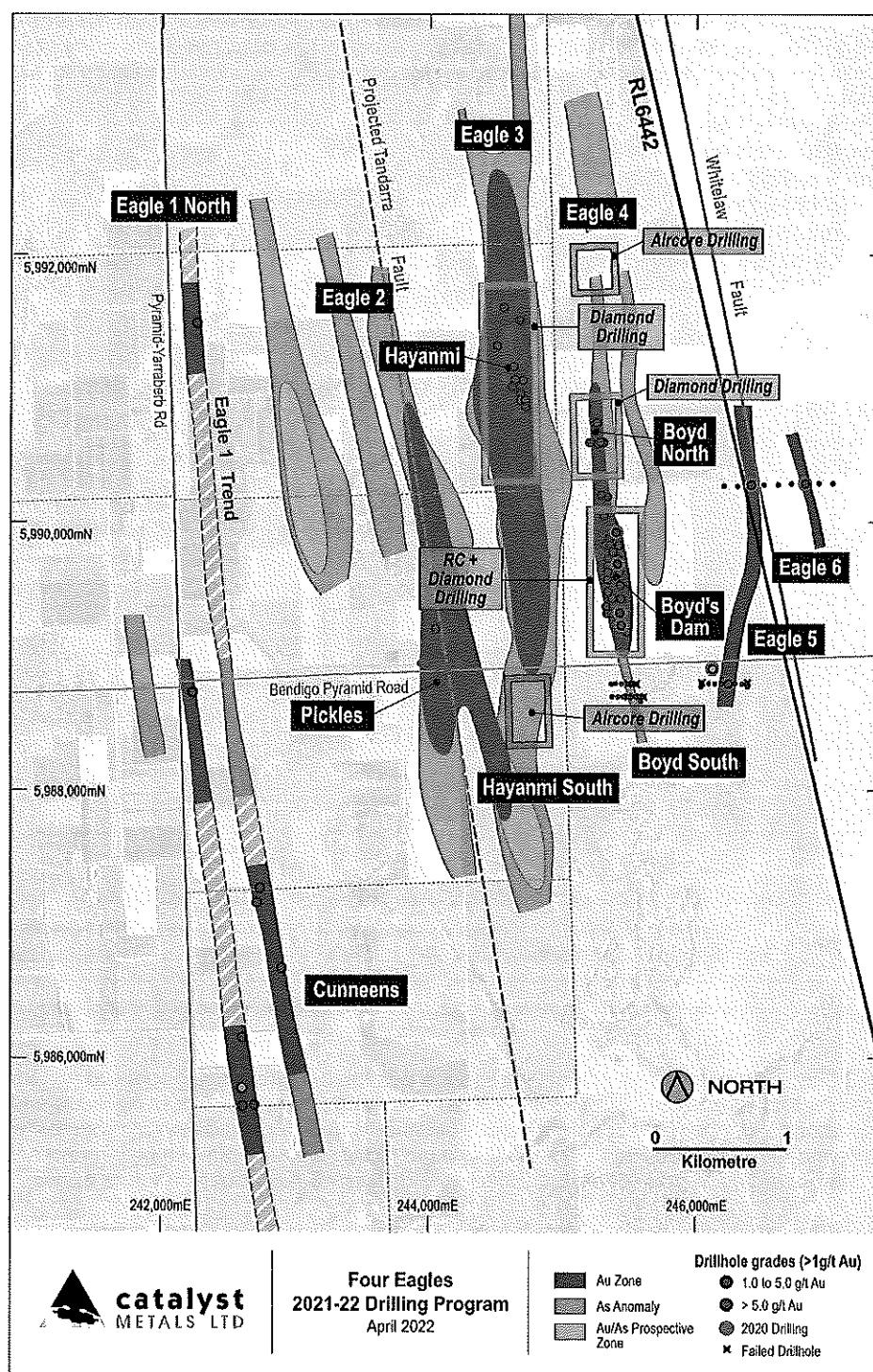


Figure 3: Four Eagles Gold project showing location of prospect locations, gold trends and FY22 drilling program locations.

CATALYST METALS LIMITED

DIRECTORS' REPORT

TANDARRA GOLD PROJECT

The Tandarra Gold Project is a joint venture between Catalyst's 100%-owned subsidiary Kite Operations Pty Ltd and Navarre Minerals Limited (Navarre). The project is managed by Catalyst and is jointly funded (51:49) by Catalyst and Navarre within the Tandarra Joint Venture.

The Tandarra Joint Venture lies within Retention Licence RL006660. The RL covers an envelope of gold mineralisation and exploration prospects approximately 12 kilometres long and up to 4 kilometres wide. Within this Catalyst is continuing to drill three gold bearing structural zones trending roughly north-south (Tomorrow, Macnaughtan, and Lawry Zones, as detailed on Figure 4).

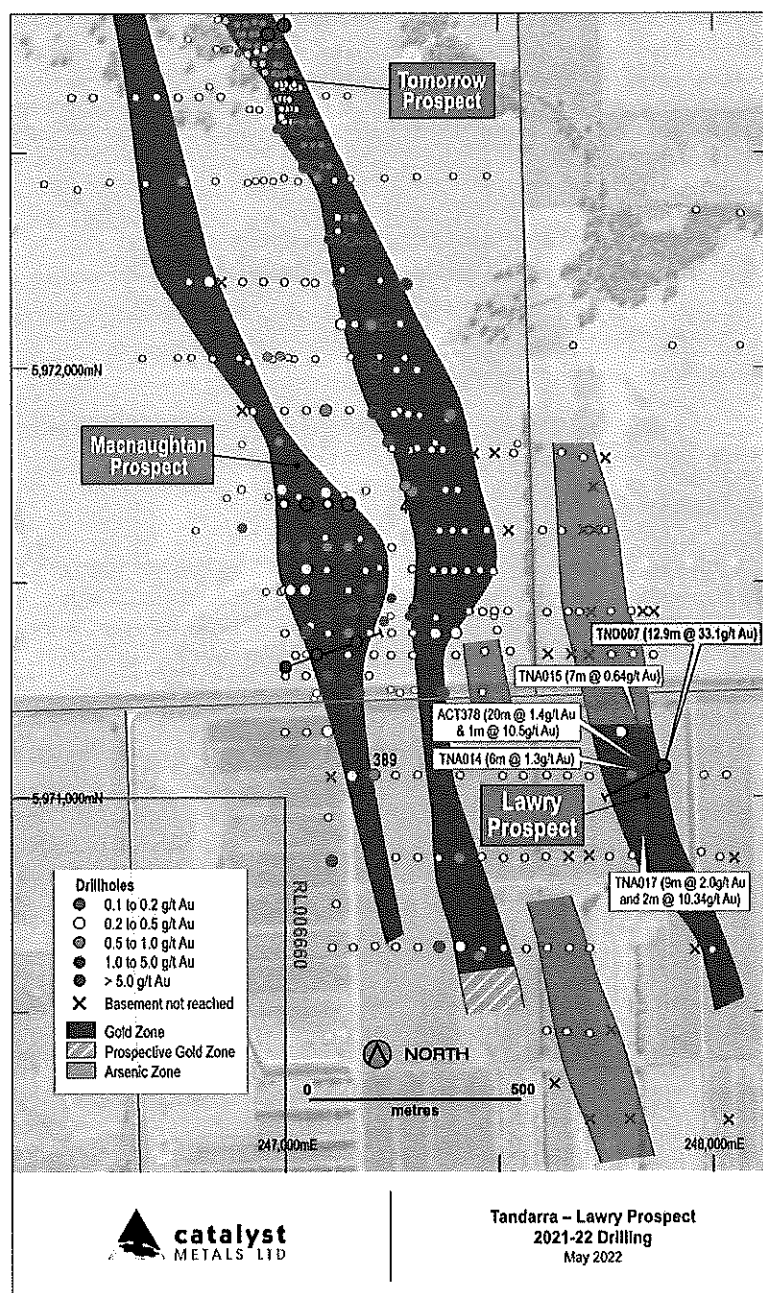


Figure 4: Drill plan showing gold and arsenic enriched zones and significant results achieved in the Lawry Zone

CATALYST METALS LIMITED

DIRECTORS' REPORT

Hole TND007 was drilled into the Lawry Zone, and returned significant intersections, including:

- 0.9m @ 1.76g/t Au from 61.9m
- 12.9m @ 33.1g/t Au from 66.4m (including 0.5m @ 831g/t Au)
- 1.6m @ 0.5g/t Au from 122.8m
- 1.0m @ 2.5g/t Au from 153.5
- 0.7m @ 0.5g/t Au from 158.5m
- 1.0m @ 1.2g/t Au from 173.4
- 1.0m @ 1.32g/t Au from 226.6m

OTHER BENDIGO REGIONAL EXPLORATION

The Golden Camel Joint Venture (Catalyst 50.1% in exploration licences (EL's) 5449 and 5490, including the now closed Toolleen mine, with right to purchase a 50.1% interest in the Golden Camel mining leases) advanced with diamond drilling on the Golden Camel mining licence and RC drilling on the Toolleen Project. A program of two diamond drillholes was completed during the reporting period, with assaying and interpretation ongoing.

At the Boort exploration licence EL006670 (Figure 1), Catalyst as manager of the joint venture with GEV has conducted follow up drilling over several gravity targets, resulting in the return of a significant gold intersection (3m @ 18.2g/t Au) and an anomalous intersection (6m @ 0.9g/t Au).

At Drummartin (EL006507, Figure 1) a large air core drilling program was completed in 2021 with results finalised during the FY22 reporting period, including significant intersections of: 3m @ 6.19g/t Au; 1m @ 1.27g/t Au; and 4m @ 0.59g/t Au.

Follow-up air core and diamond drilling was completed during FY22 with the interpretation of results yet to be finalised.

HENTY GOLD MINE, TASMANIA

In January 2021, Catalyst acquired the Henty Gold Mine in Tasmania by purchasing shares in Unity Mining Pty Ltd (Unity) from Diversified Minerals Pty Ltd. The acquisition cost of Henty was \$8 million in Catalyst shares at \$2.10 per share (ie. 3.8m shares or 3.9% of Catalyst's outstanding ordinary share capital), \$6 million initial cash payment and two deferred payments of \$3 million of which both have been paid. A contingent payment subject to the after tax performance of Unity was not payable.

Under Catalyst management the operation focused on delivering a more consistent performance, focusing on adherence to the mining plan and underground drilling to boost Resource growth and re-new exploration efforts. The continuous success achieved in drilling enabled the site team to deliver a more aggressive target for the new financial year. In July, Catalyst announced plans to increase the gold production rate from the current 25,000ozpa to 35,000ozpa over the FY23 year. This increase was made possible by an increased Life of Mine plan involving a new mining crew commencing in the upper sections of the mine.

During the year, Catalyst welcomed the appointment of Mr Valentine Utete to the position of Henty General Manager. Mr Utete is an experienced mining professional with a distinguished record in underground mining operations. Mr Utete has already had a positive contribution to the Henty operations and Catalyst itself.

Catalyst views the Henty Mine as an exploration target as much a mine. During FY22 the Company re-invested \$4.8M in underground and surface drilling to better define Resources, expand Resources and look for new Resources.

Development of access for both stopeing and exploration is critical to the mine achieving goals and being able to plan for future expansion.

CATALYST METALS LIMITED

DIRECTORS' REPORT

Key metrics for the year:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Full Year
Tonnes processed	49,299	51,686	57,847	56,672	215,504
Head grade	4.6	4.2	3.2	3.9	3.9
Recovery	92.1	91.5	91.3	94.2	92.3
Gold produced	6,775	6,311	5,358	6,755	25,199
Gold sold	6,366	6,621	5,004	6,780	24,771

Gold produced in FY22 was 25,199 ounces of gold at a C1 cash cost and AISC of \$1,706/oz and \$2,207/oz per ounce respectively. Revenue from the Henty Gold Mine operations was \$63.3 million and after royalties, refining and operating costs, an EBITDA of \$10.3 million was reported.

Catalyst is heavily committed to continued growth of Mineral Resources and the publishing of Ore Reserves compliant with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC).

Drilling metrics

Type of Drilling	FY22 Actual Metres	FY23 Planned Metres
Grade control	21,939	9,640
Resource growth	17,305	12,880
Exploration	8,345	37,960
Total	47,589	60,480

In FY22 a large portion of the drilling was either grade control or resource growth, due to the limited drilling done previously and the short time span to production. In FY23 the focus will progressively shift in favour of more Resource growth and to a majority of exploration drilling. Exploration drilling is focused on finding new orebodies to further boost production.

DIRECTORS' REPORT

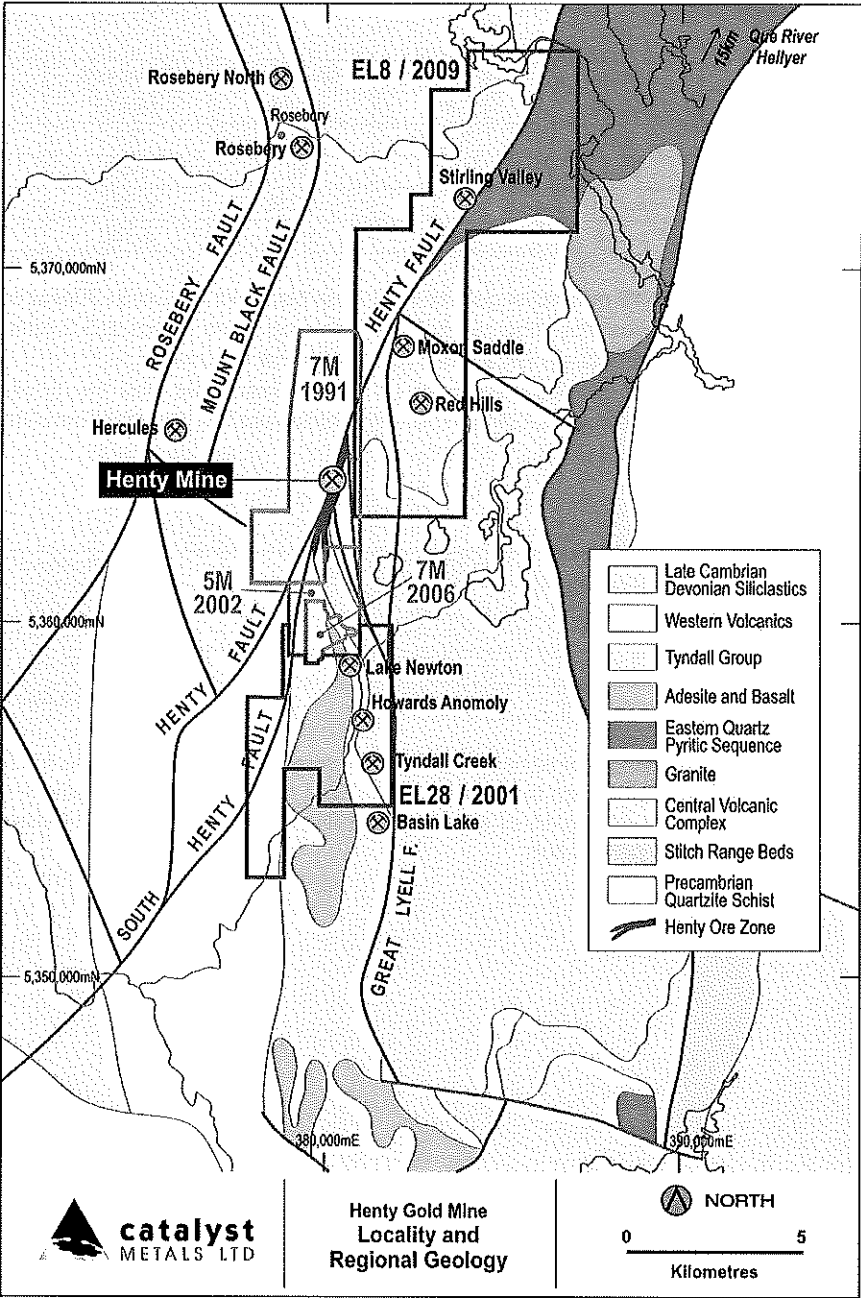


Figure 5: Henty regional tenements showing potential to north and south along the Henty Fault

CATALYST METALS LIMITED

DIRECTORS' REPORT

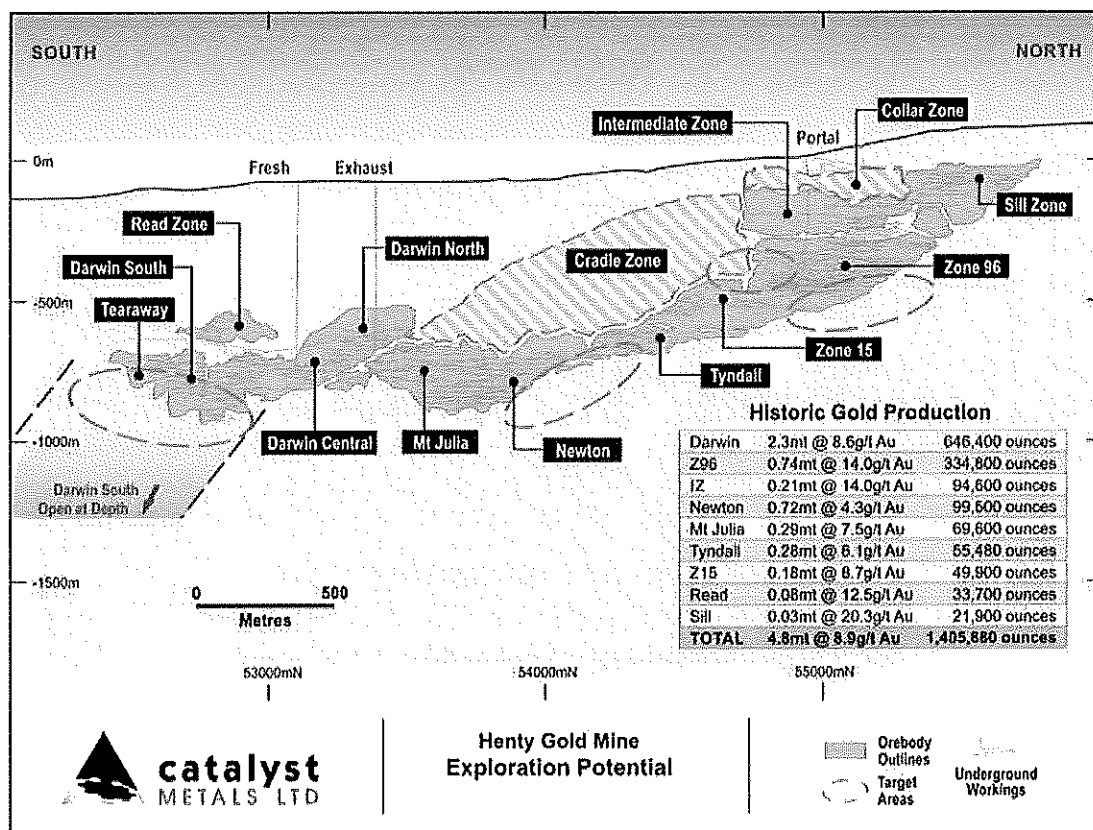


Figure 6: Henty longitudinal projection showing key areas of exploration focus in 2022.

Work Health and Safety

During the year Catalyst significantly invested in upgrading its Work, Health and Safety Standards in line with industry best practice. These Standards establish a framework, which provides clear direction on how to enable and achieve good safety governance. They also allow Catalyst to demonstrate Work Health and Safety (WHS) due diligence on a systematic approach to effect the management of WHS throughout the organisation.

The WHS Management System Standards then also form the basis for the ongoing monitoring, measurement and auditing of safety performance and quarterly reporting framework to the Board for both Victoria and Henty Gold Mine.

Victoria recorded zero lost time injuries for the financial year. Henty Gold Mine, with a workforce of circa 150, has seen a continued improvement in its safety performance during the year. The TRIFR now stands at 12 compared to 10 at the end of FY21.

CATALYST METALS LIMITED

DIRECTORS' REPORT

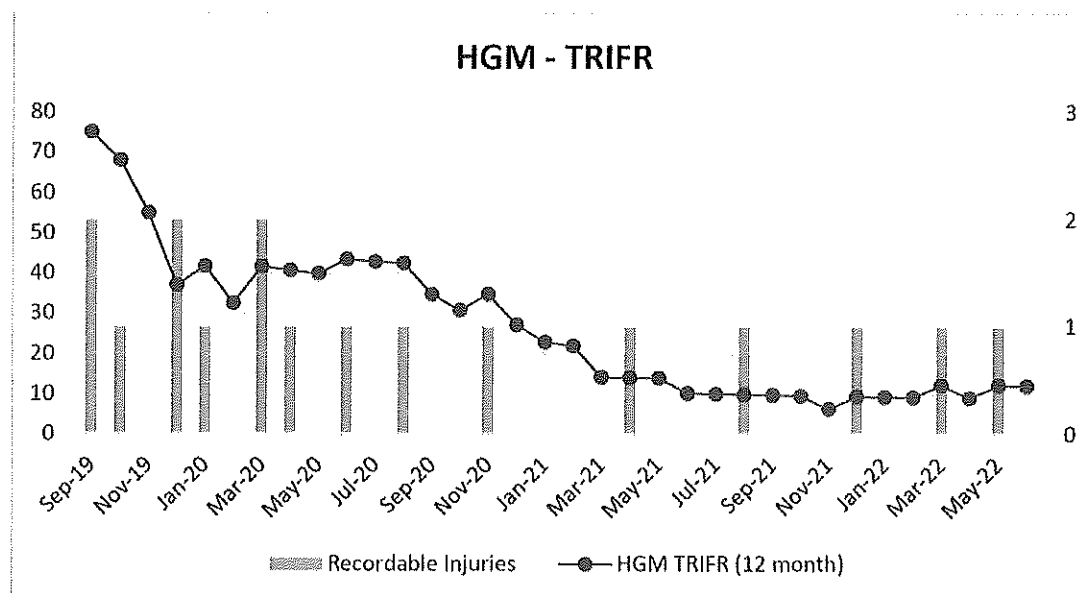


Figure 7: Henty Total recordable Injury Frequency Rate as at 30 June 2022.

Environmental Performance

Throughout the year there were no material environmental impacts.

Through ongoing planning and review of management practices Catalyst continues to assess any potential impacts and ensure these risks are managed. Annually a simulation exercise is undertaken in consultation and involvement with regulatory and other constituency interests to ensure the Company and supporting services are appropriately trained and equipped to manage any event. This is part of a continuous improvement programme of the Company.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial year.

FUTURE DEVELOPMENTS

In Victoria, Catalyst has agreed to budgets with its joint venture partners for ongoing exploration and development.

Catalyst has prepared a Work Plan on behalf of the JV partners for submission to the Victorian government regulators seeking permission to develop a 3.4Km tunnel at Four Eagles. The tunnel will commence at the northern end of Boyd's North and run parallel with Boyd's Dam and Hayanmi, at a depth of approximately 140m. The tunnel will be used as a drilling platform for completing Resource drillouts on Boyd's Dam, Boyd's North and Hayanmi but will also provide the platform for deeper exploration drilling which has proved difficult from surface. The underground platform provides year round access, minimises the impact on cropping fields and provides minimal visual impact on surface. Approval is anticipated in early 2023 with an investment decision to be made mid-year for a spring start on development.

At Henty, the Board approved a drilling capital budget of \$7.0M for growth of Resources and exploration. The FY23 drilling will focus on the newly identified Cradle Zone, deeper extensions at Darwin South and the near surface Collar Zone.

The addition of an additional mining crew at Henty will enable the site to exploit upper areas of the mine which had previously been excluded from the mining plan. The crew will use equipment already owned

CATALYST METALS LIMITED

DIRECTORS' REPORT

by the mine, providing additional ore at incremental cost. The additional ore enables the production rate to increase from the current 25,000ozpa to a 35,000ozpa rate by July 2023. Going forward the operation will seek opportunities to further increase the production rate through exploration efforts.

In the opinion of the Directors there is no additional information available as at the date of this report on any likely developments which may materially affect the operations of the Group and the expected results of those operations in subsequent years.

SUBSEQUENT EVENTS

On 27 September 2022 the Company released an updated Resource and Reserve statement which showed that Mineral Resources at the Henty Gold Mine had increased by 10% after accounting for FY22 production. Mineral Reserves for 30 June 2022 were 2.6Mt at 4.3g/t for 368,000oz Au (refer to the Additional Information section in this Annual Report).

No further significant events have occurred since the end of the financial year.

INFORMATION ON DIRECTORS

Stephen Boston (Non-Executive Chairman)

Mr Boston is the Principal of a Perth based private investment group specialising in the Australian resources sector. Mr Boston previously worked as a stockbroker from 1984 to 1998 in Perth and Sydney. Mr Boston holds a Bachelor of Arts from the University of Western Australia.

<i>Special Responsibilities:</i>	Chairman
<i>Other Directorships:</i>	None
<i>Interests in securities:</i>	5,750,727 Ordinary Shares

Robin Scrimgeour (Non-Executive Director)

Mr Scrimgeour spent 17 years working for Credit Suisse in London, Tokyo, Hong Kong and Singapore. His most recent experience has been providing structured hybrid financing for corporates in Asia for project and acquisitions concentrated in the primary resources sector. Mr Scrimgeour's previous experience was as a senior equity derivatives trader involved in the pricing of complex structured equity derivative instruments for both private and corporate clients focused in Asia. Mr Scrimgeour holds a Bachelor of Economics with Honours from the University of Western Australia.

<i>Special Responsibilities:</i>	Member of audit committee
<i>Other Directorships:</i>	None
<i>Interests in securities:</i>	5,509,499 Ordinary Shares

CATALYST METALS LIMITED

DIRECTORS' REPORT

James Champion de Crespigny (Non-Executive Director)

(Appointed 12 November 2021)

Mr Champion de Crespigny is a qualified chartered accountant with extensive experience in capital markets, financing and mergers and acquisitions, primarily in the mining sector. His most recent experience was a Director of Cutfield Freeman & Co., a global boutique financial advisor specialising in the mining industry. Prior to this, he was an Associate Director at Mining Private Equity firm, EMR Capital.

Special Responsibilities: Business Development Director, Chairman Audit Committee

Other Directorships: None

Interests in securities: 817,279 Ordinary Shares

Bruce Kay (Non-Executive Director)

Mr Kay is a qualified geologist and former head of worldwide exploration for Newmont Mining Corporation. He is a highly experienced geologist with a resource industry career spanning more than 30 years in international exploration, mine, geological, project evaluation and corporate operations. Mr Kay retired from Newmont in 2003. Based in Denver, Colorado, USA, he managed worldwide exploration for that Group. Prior to this appointment Mr Kay was group executive and Managing Director of exploration at Normandy Mining Limited where he was responsible for managing its global exploration program from 1989 until 2002.

Special Responsibilities: Technical Director

Other Directorships: None

Interests in securities: 2,222,169 Ordinary Shares

Retired Directors and Officers

Gary Schwab Independent Non-Executive Director
Retired 12 November 2021

B Robertson CEO
Resigned 30 September 2021

D Alford GM Henty
Resigned 12 July 2022

Information on Company Secretary

Frank Campagna B.Bus (Acc), CPA

Company Secretary of Catalyst Metals Limited since November 2009. Mr Campagna is a Certified Practising Accountant with over 25 years' experience as Company Secretary, Chief Financial Officer and Commercial Manager for listed resources and industrial companies. He currently operates a corporate consultancy practice which provides corporate secretarial services to both listed and unlisted companies.

CATALYST METALS LIMITED

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The number of meetings attended by each of the Directors of the Company during the financial year was:

	Board Meetings		Audit Committee Meetings	
	Number held and entitled to attend	Number Attended	Number held and entitled to attend	Number Attended
Stephen Boston	5	5	-	-
Robin Scrimgeour	5	5	-	-
Bruce Kay	5	5	-	-
James Champion de Crespigny (appointed 12 November 2021)	3	3	-	-
Gary Schwab (retired (12 November 2021)	2	1	-	-

ENVIRONMENTAL REGULATIONS

The Group is subject to significant environmental regulation in respect to its mineral exploration activities. These obligations are regulated under relevant government authorities within Australia and overseas. The Group is a party to exploration and mining licences. Generally, these licences and agreements specify the environmental regulations applicable to exploration and mining operations in the respective jurisdictions. The Group aims to ensure that it complies with the identified regulatory requirements in each jurisdiction in which it operates.

Compliance with environmental obligations is monitored by the Board of Directors. No environmental breaches have been notified to the Group by any government agency during the year ended 30 June 2022. The Group's operations are subject to State and Federal laws and regulation concerning the environment.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

SHARE OPTIONS

As at the date of this report, there were 250,000 ordinary shares under option (2021:7,881,996).

CATALYST METALS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

This report sets out the current remuneration arrangements for Directors and executives of the Group. For the purposes of this report, key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling major activities of the Group, including any Director of the Group, and includes the executives in the consolidated entity receiving the highest remuneration. The information provided in this report includes remuneration disclosures that are required under Accounting Standard AASB 124 Related Party Disclosures.

Principles used to determine the nature and amount of remuneration

Directors and executives remuneration

Overall remuneration policies are determined by the Board and are adapted to reflect competitive market and business conditions. Within this framework, the Board considers remuneration policies and practices generally, and determines specific remuneration packages and other terms of employment for any executive Directors and senior management. Executive remuneration and other terms of employment are reviewed annually by the Board having regard to performance, relevant comparative information and expert advice.

The Group's remuneration policy for any Executive Directors and senior management is designed to promote superior performance and long term commitment to the Group. Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the Group's operations.

Executive Directors and senior executives receive a base remuneration which is market related, together with performance based remuneration linked to the achievement of pre-determined milestones and targets.

The Group's remuneration policies are designed to align executives' remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Group. The main principles of the policy are:

- reward reflects the competitive market in which the Group operates; and
- individual reward should be linked to performance criteria.

The structure of remuneration packages for any Executive Directors and other senior executives comprises:

- a fixed sum base salary plus superannuation benefits;
- short term incentives through eligibility to participate in a performance bonus scheme if deemed appropriate; and
- long term incentives through any Executive Directors being eligible to participate in share option schemes with the prior approval of shareholders.

Fixed and variable remuneration is established for each Executive Director by the Board. The objective of short term incentives is to link achievement of the Group's operational targets with the remuneration received by executives charged with meeting those targets. The objective of long term incentives is to reward executives in a manner which aligns this element of their remuneration with the creation of shareholder wealth. Performance incentives may be offered to any Executive Directors and senior management through the operation of performance bonus schemes. A performance bonus, based on a percentage of annual salary, may be payable upon achievement of agreed operational milestones and targets.

Non-Executive Directors' remuneration

In accordance with current corporate governance practices, the structure for the remuneration of Non-Executive Directors and senior executives is separate and distinct. Shareholders approve the maximum fees payable to Non-Executive Directors, with the current approved limit being \$550,000 per annum. The Board is responsible for determining actual payments to Directors. Non-Executive Directors are entitled to statutory superannuation benefits. The Board approves any consultancy arrangements for Non-Executive Directors who provide services outside of and in addition to their duties as Non-Executive Directors.

CATALYST METALS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

Non-Executive Directors may be entitled to participate in equity based remuneration schemes. Shareholders must approve the framework for any equity based compensation schemes and if a recommendation is made for a Director to participate in an equity scheme, that participation must be specifically approved by the shareholders.

All Directors are entitled to have premiums on indemnity insurance paid by the Group.

At the 2021 AGM, 99.7% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2021. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of Remuneration for Year Ended 30 June 2022

Details of the remuneration for each Director and key management personnel (as defined in AASB 124 Related Party Disclosures) of the Group during the year are set out in the following tables.

2022	Short-term employment benefits		Post-employment benefits	Share-based payments	
Name	Cash salary and fees \$	Other \$	Superannuation \$	Shares and Options \$	Total \$
Non-Executive Directors					
S Boston	171,200	-	17,360	-	188,560
R Scrimgeour	81,400	-	-	-	81,400
J Champion de Crespigny ⁽⁴⁾	122,672	-	11,650	-	134,322
B Kay	185,485	-	26,392	^{(1) (3)} 152,250	364,127
Management					
J McKinstry – CEO ⁽⁶⁾	289,808	-	20,625	-	310,433
V Utete – GM Henty ⁽⁷⁾	49,542	-	4,908	-	54,450
Retired directors & Officers					
G Schwab – Director ⁽⁵⁾	77,000	-	11,400	^{(1) (2) (3)} 142,100	230,500
B Robertson – CEO ⁽⁵⁾	119,041	-	14,404	120,500	253,945
D Alford – GM Henty ⁽⁵⁾	314,999	-	27,499	-	342,498
Total key management personnel compensation	1,411,147	-	134,238	414,850	1,960,235

(1) Shareholders approved the issue of 75,000 shares and 60,000 shares to Mr Kay and Mr Schwab respectively, for the significant additional services they provided during the Henty Gold Mine acquisition process.

(2) Shareholders also approved the issue of 10,000 shares Mr Schwab for consulting services to be provided in the 12 month period following the AGM, following his retirement from the Board.

(3) The shares were valued at a deemed price of \$2.03, being the closing price of the shares on the day shareholders approved the issue.

(4) Includes remuneration received subsequent to his appointment on 12 November 2021.

(5) Includes remuneration received up until the date of resignation of the key management personnel.

(6) Includes remuneration received subsequent to his appointment on 4 October 2021.

(7) Includes remuneration received subsequent to his appointment on 1 May 2022.

In 2022, Mr Kay received \$74,000 per annum in Directors' fees and was paid extra fees for managing the Company's exploration programmes at the Four Eagles Gold Project, Tandarra Gold Project, Macorna Gold Project, Boort Gold Project, Drummartin Gold Project and Golden Camel Gold Project. The costs incurred in respect of the joint ventures were partially reimbursed by the joint venture partners as part of its earn in expenditure commitments. Furthermore in 2022, Mr Boston received \$80,000 per annum in Directors' fees and was paid extra consulting fees for managing the Company. Mr Champion de Crespigny was paid \$47,072 in Directors fees and Mr Schwab received \$37,000 in Directors' fees and extra consulting fees for services provided to the Company outside his duties as a director, up until the time he retired as a director.

CATALYST METALS LIMITED

DIRECTORS' REPORT

2021	Short-term employment benefits		Post-employment benefits	Share-based payments	
Name	Cash salary and fees \$	Other \$	Superannuation \$	Shares and Options \$	Total \$
<i>Non-Executive Directors</i>					
S Boston	216,800	-	20,677	-	237,477
R Scrimgeour	81,030	-	-	-	81,030
G Schwab	121,638	-	11,586	-	133,224
B Kay	212,677	-	24,999	-	237,676
<i>Management</i>					
B Robertson - CEO	243,441	-	23,252	-	266,693
D Alford – GM Henty	125,000	-	11,875	-	136,875
Total key management personnel compensation	1,000,586	-	92,389	-	1,092,975

In 2021, Mr Kay received \$74,000 per annum in Directors' fees and was paid extra fees for managing the Company's exploration programmes at the Four Eagles Gold Project, Tandarra Gold Project, Macorna Gold Project, Boort Gold Project, Drummartin Gold Project and Golden Camel Gold Project. The costs incurred in respect of the joint ventures were partially reimbursed by the joint venture partners as part of its earn in expenditure commitments. Furthermore in 2021, Mr Boston received \$80,000 per annum in Directors' fees and was paid extra consulting fees for managing the Company and Mr Schwab received \$74,000 per annum in Directors' fees and was paid extra consulting fees for services provided to the Company outside his duties as a director.

Letters of appointment have been entered into with each Director of the Company. No duration of appointment or termination benefits are applicable. Effective from 1 July 2019, Non-executive Directors receive remuneration of \$74,000 per annum plus statutory superannuation, whilst the Chairman receives remuneration of \$80,000 per annum plus statutory superannuation. Directors are permitted to salary sacrifice their fees.

SERVICE AGREEMENTS

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Current Personnel

Mr John McKinstry was promoted to the role of Chief Executive Officer of Catalyst on 4 October 2021. The key terms of Mr McKinstry's employment is a base salary of \$300,000 per annum with statutory superannuation. Mr McKinstry and the Company are required to provide three months notice for termination, unless the termination is for cause and then no notice period is required. Mr McKinstry is entitled to a three month redundancy if there is a material change in his role or responsibilities.

Mr Valentine Utete was employed as General Manager of the Henty Gold Mine on 1 May 2022. The key terms of Mr Utete's employment is a base salary of \$300,000 per annum with statutory superannuation. Mr Utete receives company housing and a motor vehicle. Mr Utete and the Company are required to provide three months notice for termination, unless the termination is for cause and then no notice period is required. In the event of redundancy then Mr Utete is entitled to a three month redundancy if there is a material change in his role or responsibilities.

CATALYST METALS LIMITED

DIRECTORS' REPORT

Former Personnel

Mr Bruce Robertson who was employed as Chief Executive Officer of Catalyst resigned on 30 September 2021. The key terms of Mr Robertson's employment were a base salary of \$300,000 per annum with statutory superannuation. Mr Robertson and the Company were required to provide three months notice for termination, unless the termination was for cause and then no notice period was required. Mr Robertson was entitled to a six month redundancy if there was a material change in his role or responsibilities. Mr Robertson was also entitled to receive the following options:

- 250,000 exercisable at higher of \$3 or 15% premium to the 10 day VWAP for the period 4 – 15 January 2021, expiring in 4 years and vesting 6 months after the commencement date
- 250,000 exercisable at \$0.50 above the initial exercise price, expiring in 4.5 years and vesting 12 months after the commencement date
- 250,000 exercisable at \$1.00 above the initial exercise price, expiring in 5 years and vesting 18 months after the commencement date
- 250,000 exercisable at \$1.50 above the initial exercise price, expiring in 5.5 years and vesting 24 months after the commencement date

On Mr Robertson's resignation he was entitled to retain 250,000 options that vested during his period of employment.

Mr Dion Alford who was employed as General Manager of the Henty Gold Mine resigned on 12 July 2022. The key terms of Mr Alford's employment were a base salary of \$310,000 per annum with statutory superannuation. Mr Alford received company housing and a motor vehicle. Mr Alford and the Company were required to provide three months notice for termination, unless the termination was for cause and then no notice period was required. In the event of redundancy then Mr Alford was entitled to redundancy pay in accordance with the National Employment Standards.

SHARE-BASED COMPENSATION

Shares

Pursuant to shareholder approval on 12 November 2021, on 23 November 2021 Mr Kay and Mr Schwab were issued 75,000 shares and 60,000 shares respectively for the significant additional services they provided during the Henty Gold Mine acquisition process. On 23 November 2021, Mr Schwab was issued 10,000 shares for the consulting services rendered. The issue was approved by shareholders at the AGM held on 12 November 2021.

The shares were valued at \$2.03, being the closing price on 12 November 2021, the day the issue of the shares was approved by shareholders.

No shares were issued as compensation during the previous financial year.

Employee Incentive Plan

Equity incentives (shares or options and performance rights over shares) in the Company are granted under the Catalyst Metals Limited Employee Incentive Plan ("Incentive Plan"). The purpose of the Incentive Plan is to provide employees, Directors, executive officers and consultants with an opportunity, in the form of options or other incentives, to subscribe for ordinary shares in the Group. The Directors consider the Incentive Plan enables the Group to retain and attract skilled and experienced employees, board members and executive officers and provide them with the motivation to contribute to the growth and future success of the Group.

No equity incentive options were granted during the year (2021: Nil).

CATALYST METALS LIMITED

DIRECTORS' REPORT

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of Options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Bruce Robertson	250,000	4 Jan 2021	22 Oct 21	30 Nov 24	\$3.00	\$0.482

Options granted carry no dividend or voting rights.

Fixed vs At Risk Remuneration

Proportion of remuneration linked to performance and the fixed remuneration is as follows:

	Fixed Remuneration		At Risk	
	2022	2021	2022	2021
B Robertson	53%	100%	47%	0%

The fixed remuneration percentage for all other key management personnel was 100% for the year (2021:100%). The share based payments to the other personnel aren't performance based.

CATALYST METALS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

SHARE AND OPTION HOLDINGS

Option holdings

The number of options over ordinary shares in the Company held during the year by each Director of the Company and other key management personnel, including their personally related parties, are set out below:

2022 – Options Holdings

Name	Balance at beginning of year	Granted as compensation	Expired	Other changes ⁽⁴⁾	Balance at end of year	Vested and exercisable
S Boston	458,477	-	(458,477)	-	-	-
R Scrimgeour	531,074	-	(531,074)	-	-	-
B Kay	205,301	-	(205,301)	-	-	-
J Champion de Crespigny ⁽²⁾	-	-	(80,049)	80,049	-	-
G Schwab ⁽¹⁾	-	-	-	-	-	-
J McKinstry	-	-	-	-	-	-
V Utete	-	-	-	-	-	-
D Alford	-	-	-	-	-	-
B Robertson ⁽³⁾	31,145	250,000	(31,145)	(250,000)	-	-

(1) Mr Schwab retired as a non-executive director on 12 November 2021.

(2) Mr Champion de Crespigny held an indirect interest in 80,049 options on appointment as a non-executive director on 12 November 2021.

(3) Mr Robertson resigned on 30 September 2021.

(4) The listed options lapsed on 25 May 2022.

Ordinary Shares

The number of ordinary shares in the Group held during the financial year by each Director and other key management personnel of the Group, including their personally related parties, are set out below.

2022 – Ordinary Share Holdings

Directors	Balance at beginning of year	Granted as compensation	Purchased	Other Changes	Balance at end of year
S Boston	5,763,556	-	46,767	(59,596)	5,750,727
R Scrimgeour	5,351,017	-	158,482	-	5,509,499
B Kay	2,147,169	75,000	-	-	2,222,169
J Champion de Crespigny ⁽¹⁾	-	-	-	817,279	817,279
G Schwab ⁽²⁾	-	70,000	-	(70,000)	-
J McKinstry	-	-	-	-	-
V Utete	-	-	-	-	-
B Robertson	397,160	-	-	(397,160) ⁽³⁾	-
D Alford	-	-	-	-	-

(1) Mr Champion de Crespigny held an indirect relevant interest in 814,779 shares on appointment as a non-executive director on 12 November 2021.

(2) Mr Schwab retired as a non-executive director on 12 November 2021.

(3) Mr Robertson resigned as Chief Executive Officer on 30 September 2021.

CATALYST METALS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

Mr Boston is also a Director of Raisemetrex Pty Ltd which was paid \$60,000 (2021: \$60,000) by the Company to provide an online platform for the administration of capital raisings and electronic communications with shareholders.

CONSEQUENCES OF PERFORMANCE ON SHAREHOLDER WEALTH

In considering the Group performance and benefits for shareholder wealth, the factors that are considered to affect total shareholder return are summarised below:

	2022	2021	2020	2019	2018
Net profit (loss) for the period	\$2,091,498	\$934,745*	(\$1,746,832)	(\$1,686,017)	(\$4,241,647)
Share price at financial year end (\$)	1.205	1.95	2.75	1.96	1.50
Basic profit (loss) per share (cents per share)	2.13	1.04*	(2.2)	(2.3)	(6.5)

*Restated

END OF REMUNERATION REPORT

2022 Shares under Option

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Grant Date	Expiry Date	Exercise Price	Number of Options
4 January 2021	30 November 2024	\$3.00	250,000

The following ordinary shares were issued in the Company during the year ended 30 June 2022 and up to the date of this report on the exercise of options granted:

Date Options Granted:	Exercise Price	Number of shares issued
27 August 2019	\$2.45	425

CATALYST METALS LIMITED

DIRECTORS' REPORT

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Group has entered into indemnity agreements with each of the Directors and officers of the Group. Under the agreements, the Group will indemnify those officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities as officers of the Group or any related entities.

INDEMNIFICATION AND INSURANCE OF AUDITOR

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the Group or any related party.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

AUDITOR

RSM Australia Partners continues in office in accordance with section 327 of the *Corporations Act 2001*.

NON-AUDIT SERVICES

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that any non-audit services did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: *Code of Ethics for Professional Accountants* set by the Accounting Professional and Ethical Standards Board.

No fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2022.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF RSM AUSTRALIA PARTNERS

There are no officers of the company who are former partners of RSM Australia Partners.

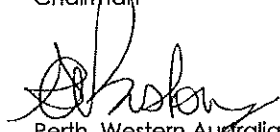
AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and immediately follows the Directors' Report.

This report is made in accordance with a resolution of the Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

Stephen Boston

Chairman



Perth, Western Australia
30 September 2022



RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Catalyst Metals Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) Any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PARTNERS

Perth, Western Australia

30 September 2022

MATTHEW BEEVERS
Partner

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation



CATALYST METALS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 30 June 2022

		2022	Restated * 2021
	Note	\$	\$
Current Assets			
Cash and cash equivalents	9	18,242,571	30,518,541
Other financial assets	9	3,000,000	3,000,000
Trade and other receivables	10	3,431,293	2,816,154
Inventory	11	5,705,826	3,898,595
Total Current Assets		<u>30,379,690</u>	<u>40,233,290</u>
Non-Current Assets			
Receivables	10	36,500	10,000
Property, plant and equipment	12	11,186,630	12,381,902
Exploration and evaluation expenditure	13	17,507,557	11,432,461
Mining development assets	14	20,428,429	18,749,849
Total Non-Current Assets		<u>49,159,116</u>	<u>42,574,212</u>
TOTAL ASSETS		<u>79,538,806</u>	<u>82,807,502</u>
Current Liabilities			
Trade and other payables	15	12,002,700	11,640,045
Other - advances	16	1,514,999	215,526
Lease liabilities	17	639,760	224,794
Interest bearing liabilities	18	1,509,281	802,610
Employee benefits	19	1,589,103	604,350
Deferred consideration payable	23	-	5,205,000
Contingent consideration payable	23	-	5,000,000
Total Current Liabilities		<u>17,255,843</u>	<u>23,692,325</u>
Non-Current Liabilities			
Lease Liabilities	17	123,979	220,063
Deferred consideration payable	23	800,000	800,000
Employee benefits	19	711,018	-
Provisions	27	2,927,690	2,912,677
Total Non-Current Liabilities		<u>4,562,687</u>	<u>3,932,740</u>
TOTAL LIABILITIES		<u>21,818,530</u>	<u>27,625,065</u>
NET ASSETS		<u>57,720,276</u>	<u>55,182,437</u>
Equity			
Contributed equity	20	73,238,523	72,912,682
Share-based payments reserve	21(a)	493,472	372,972
Accumulated losses	21(b)	(16,011,719)	(18,103,217)
TOTAL EQUITY	20	<u>57,720,276</u>	<u>55,182,437</u>

*Refer Note 34 for detailed information on restatement of comparative.

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CATALYST METALS LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the Year Ended 30 June 2022

		2022	Restated *
	Note	\$	2021
			\$
Revenue from continuing operations	4	63,330,429	28,508,849
Other income	5	5,546,028	781,077
Interest revenue		58,486	88,535
Expenses			
Mining and processing costs		(30,945,076)	(9,951,823)
Depreciation and amortisation relating to gold sales		(8,324,457)	(4,406,304)
Royalties		(3,674,617)	(2,176,654)
Administration, corporate, occupancy and travel costs		(4,417,153)	(2,125,466)
Employee benefits expense		(14,676,505)	(4,808,586)
Depreciation		(2,018,757)	(750,888)
Exploration and evaluation expenditure		(2,786,880)	(4,223,995)
Profit before income tax expense from continuing operations	6	2,091,498	934,745
Income tax expense	8	-	-
Profit after income tax from continuing operations		2,091,498	934,745
Total comprehensive income for the year		2,091,498	934,745
Total comprehensive income attributable to members of the Parent entity		2,091,498	934,745
Earnings per share for profit attributable to the owners of Catalyst Metals Limited			
Basic profit per share (cents per share)	7	2.13	1.04
Diluted profit per share (cents per share)	7	2.12	0.96

*Refer Note 34 for detailed information on restatement of comparative.

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CATALYST METALS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the Year Ended 30 June 2022

	Notes	Contributed Equity \$	Accumulated losses \$	Share- based payments reserve \$	Total \$
Balance at 30 June 2020		41,350,109	(19,037,962)	372,972	22,685,119
Total comprehensive profit for the year * Restated		-	934,745	-	934,745
Transactions with owners in their capacity as owners:					
Issue of shares	20	32,281,780	-	-	32,281,780
Issue of options	20	-	-	-	-
Share issue expenses	20	(719,207)	-	-	(719,207)
Balance at 30 June 2021 * Restated		72,912,682	(18,103,217)	372,972	55,182,437
Total comprehensive profit for the year		-	2,091,498	-	2,091,498
Transactions with owners in their capacity as owners:					
Issue of shares	20	325,841	-	-	325,841
Issue of options	20	-	-	120,500	120,500
Share issue expenses		-	-	-	-
Balance at 30 June 2022		73,238,523	(16,011,719)	493,472	57,720,276

*Refer Note 34 for detailed information on restatement of comparative.

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CATALYST METALS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS For the Year Ended 30 June 2022

		2022	Restated *
	Note	\$	2021 \$
Cash Flows from Operating Activities			
Receipts from customers		63,632,509	29,825,353
Payments for exploration and evaluation		(2,254,482)	(4,223,995)
Payments to suppliers, contractors and employees		(54,991,164)	(15,561,074)
Research and development tax offsets received		154,052	438,919
Other income		391,976	342,158
Interest received		58,486	88,535
Net cash flows provided operating activities	22	<u>6,991,377</u>	<u>10,909,896</u>
Cash Flows from Investing Activities			
Payment for security deposit		-	(3,000,000)
Payment for purchase of business net of cash acquired	26	(5,205,000)	(5,444,682)
Payments for property, plant and equipment		(1,241,172)	(3,429,024)
Payment for mine development assets		(8,535,020)	(5,817,608)
Payments for exploration and evaluation		<u>(5,816,312)</u>	<u>(5,884,621)</u>
Net cash flows used in investing activities		<u>(20,797,504)</u>	<u>(23,575,935)</u>
Cash Flows from Financing Activities			
Proceeds from issue of shares and other equity securities		1,041	25,081,781
Share issue expenses		-	(719,208)
Repayment of borrowings		706,671	802,595
Lease payments		(477,028)	-
Joint venture exploration advances received	16	9,019,797	5,614,506
Joint venture exploration advances expended	16	<u>(7,720,324)</u>	<u>(5,930,614)</u>
Net cash flows provided from financing activities		<u>1,530,157</u>	<u>24,849,060</u>
Net (decrease)/increase in cash and cash equivalents		(12,275,970)	12,183,021
Cash and cash equivalents at the beginning of the financial year		<u>30,518,541</u>	<u>18,335,520</u>
Cash and cash equivalents at the end of the financial year	9	<u>18,242,571</u>	<u>30,518,541</u>

*Refer Note 34 for detailed information on restatement of comparative.

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(b) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

(c) Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

(d) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 33.

(e) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Catalyst Metals Limited ('company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the year then ended. Catalyst Metals Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Intercompany transactions, balances and transactions between entities in the consolidated entity are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

(g) Revenue

Revenue from contracts with customers is recognised based on the transfer of promised goods or services to customers with an amount that reflects the consideration to which the Group expects to be entitled to in exchange for those goods or services.

Sale of gold and other metals

Sale of gold and other metals is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(h) Impairment

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets should be impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(i) Cash and cash equivalents

For the purpose of the cash flow statement, cash includes cash on hand and at call deposits with banks or financial institutions and investments in money market instruments with less than 30 days to maturity.

(j) Trade and other receivables

Trade receivables, loans, and other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(k) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial instruments

Recognition and Initial Measurement

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and are solely principal and interest. All other financial instrument assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income.

Financial assets may be impaired based on an expected credit loss model to recognise an allowance. Such impairment is measured with a 12-month expected credit loss model unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime expected credit loss model is adopted

For financial liabilities, the portion of the change in fair value that relates to the Group's credit risk is presented in other comprehensive income.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(m) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure. Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

Exploration expenditure for each area of interest is written off as incurred, except that it may be carried forward provided that such costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale. The Group performs impairment testing when facts and circumstances suggest the carrying amount should be impaired. If it was determined that the asset was impaired it would be immediately written off to the income statement.

Expenditure is not carried forward in respect of any area of interest unless the Group's right of tenure to that area of interest is current. Expenditures incurred before the Group has obtained legal rights to explore a specific area is expensed as incurred. Amortisation is not charged on areas under development, pending commencement of production.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(o) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Rehabilitation provision

In accordance with the Group's environmental policy and applicable legal requirements, a provision for rehabilitation is recognised in respect of the estimated cost of rehabilitation and restoration of the areas disturbed by mining activities up to the reporting date, but not yet rehabilitated.

When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related mining assets. At each reporting date the site rehabilitation provision is re-measured to reflect any changes in discount rates and timing or amounts to be incurred.

Additional disturbances or changes in rehabilitation costs will be recognised as additions or changes to the corresponding asset and rehabilitation provision, prospectively from the date of change. For closed sites, or where the carrying value of the related asset has been reduced to nil either through depreciation and amortisation or impairment, changes to estimated costs are recognised immediately in the statement of comprehensive income.

(p) Employee entitlements

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(q) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Catalyst Metals Ltd and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

(r) Earnings per share

Basic earnings per share is determined by dividing the profit from ordinary activities after related income tax expense by the weighted average number of ordinary shares outstanding during the financial year.

(s) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financial activities, which are recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(t) Property, Plant and Equipment

Property, plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of property, plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the consolidated entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Land and buildings	0 – 8%
Plant and equipment	11 - 33.33% or unit of production

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

(u) Issued Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(v) Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from joint venture entities reduce the carrying amount of the investment.

(w) Business Combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

(x) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2022. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(y) Foreign currency translation

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

(z) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(ab) Inventories

Inventories are stated at the lower of cost and net realisable value on a 'weighted average' basis. Cost comprises direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Cost is determined on the following basis:

- (a) Gold and other metals on hand is valued on an average total production cost method
- (b) Ore stockpiles are valued at the average cost of mining and stockpiling the ore, including haulage
- (c) A proportion of related depreciation and amortisation charge is included in the cost of inventory

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ac) Mining development assets

Capitalised mining development costs include expenditures incurred to develop new ore bodies to define further mineralisation in existing ore bodies, to expand the capacity of a mine and to maintain production. Mining development also includes costs transferred from exploration and evaluation phase once production commences in the area of interest.

Amortisation of mining development is computed by the units of production basis over the estimated proved and probable reserves. Proved and probable mineral reserves reflect estimated quantities of economically recoverable reserves which can be recovered in the future from known mineral deposits. These reserves are amortised from the date on which production commences. The amortisation is calculated from recoverable proven and probable reserves and a predetermined percentage of the recoverable measured, indicated and inferred resource. This percentage is reviewed annually.

(ad) Right of use asset

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(ae) Lease liability

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Exploration and evaluation costs

The Group's accounting policy for exploration and evaluation is set out in note 1(m). The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances, in particular the assessment of whether economic quantities of reserves may be found. Any such estimates and assumptions may change as new information becomes available.

Unit-of-production method of depreciation/amortisation

The Group uses the unit-of-production basis when depreciating/amortising life of mine specific assets which results in a depreciation/amortisation charge proportionate to the depletion of the anticipated remaining life of mine production. Each asset's economic life, which is assessed annually, has due regard for both its physical life limitations and to present assessments of economically recoverable mine plan of the mine property at which it is located. These calculations require the use of estimates and assumptions.

Inventories

Net realisable value tests are performed at each reporting date and represent the estimated forecast sales price of the gold when it's expected to be realised, less estimated costs to complete production and bring the product to sale. Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained gold ounces based on assay data, and the estimated recovery percentage. Stockpile tonnages are verified by periodic surveys.

Rehabilitation provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

3. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into two operating segments, being mining and exploration operations. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services

The principal products and services of these operating segments are the mining and exploration operations in Australia.

Major customers

During the year ended 30 June 2022, \$63.4 million segment revenues from two customers amounted to \$32.2 million and \$31.2 million respectively (prior period: one customer amounting to \$26.3 m), arising from the sale of gold and silver. No other single customer contributed 10% or more to the Group's revenue for the year.

Geographical information

The consolidated entity is one geographical segment, Australia.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

3. Operating segments (continued)

Operating segment information

Consolidated - 30 June 2022	Exploration	Mining Operations	Total
	\$	\$	\$
Sales to external customers	-	63,330,429	63,330,429
Other revenue	366,537	179,491	546,028
Total segment revenue	366,537	63,509,920	63,876,457
Interest revenue	39,986	18,500	58,486
Total segment revenue	406,523	63,528,420	63,934,943
Unallocated revenue			5,000,000
Total revenue			68,934,943
EBITDA	(2,960,161)	10,336,387	7,376,226
Depreciation & amortisation			(10,343,214)
Interest revenue			58,486
Unallocated revenue			5,000,000
Profit before income tax benefit			2,091,498
Income tax benefit			-
Profit after income tax benefit			2,091,498
Assets			
Segment Assets	29,747,645	49,791,161	79,538,806
Total Assets			79,538,806
Total assets includes:			
Acquisition of non-current assets	1,093,213	1,299,790	2,393,003
Liabilities			
Segment liabilities	3,943,131	17,875,399	21,818,530
Total liabilities			21,818,530
Consolidated - 30 June 2021	Exploration	Mining Operations	Total
	\$	\$	\$
Sales to external customers	-	28,508,849	28,508,849
Other revenue	776,080	4,997	781,077
Total segment revenue	776,080	28,513,846	29,289,926
Interest revenue	88,535	-	88,535
Total revenue	864,615	28,513,846	29,378,461
EBITDA	(5,908,666)	11,912,068	6,003,402
Depreciation & amortisation			(5,157,192)
Interest			88,535
Profit before income tax benefit			934,745
Income tax benefit			-
Profit after income tax benefit			934,745

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

3. Operating segments (continued)

Assets

Segment Assets	36,269,416	46,538,086	82,807,502
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Total Assets

82,807,502

Total assets includes:

Acquisition of non-current assets	-	13,156,011	13,156,011
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Liabilities

Segment liabilities	3,084,701	24,540,364	27,625,065
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Total liabilities

27,625,065

2022
\$

2021
\$

4. Revenue

From Continuing Operations

Sale of gold	62,637,209	28,213,942
Sale of silver	693,220	294,907
	63,330,429	28,508,849

Revenue is recorded at a point in time once goods are transferred.

2022
\$

2021
\$

5. Other income

Research and development tax offset recovery	154,052	438,919
Government grants	-	67,500
Administration recovery fees	212,485	268,069
Other	179,491	6,589
Contingent consideration derecognised ⁽ⁱ⁾	5,000,000	-
	5,546,028	781,077

- (i) Contingent consideration estimated at the date of acquisition of the Henty Gold Mine did not become payable, as the criteria for payment were not met and accordingly the amount has been derecognised through the profit and loss in the current period.

2022
\$

2021
\$

6. Expenses

Loss before income tax includes the following specific expenses:

Depreciation	3,486,773	750,888
Directors' fees	937,670	478,603
Amortisation	6,856,441	4,406,304
Share based payments	446,341	-
Exploration and evaluation expenditure (refer note 1 (i))	2,785,359	4,223,995

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

	2022 No. of Shares	Restated * 2021 No. of Shares
7. Earnings per Share		
Profit after income tax	2,091,498	934,745
Weighted average number of ordinary shares for basic earnings per share	98,391,985	89,771,426
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	250,000	7,881,996
Weighted average number of ordinary shares for diluted earnings per share	98,641,985	97,653,422
Basic earnings per share (cents per share)	2.13	1.04
Diluted earnings per share (cents per share)	2.12	0.96

*Refer Note 34 for detailed information on restatement of comparative.

	2022 \$	2021 \$
8. Income tax		
Profit before tax	1,667,084	742,748
Prima facie tax on operating loss before income tax at 30% (2021: 26%)	500,125	193,114
Tax effect of:		
- non assessable items	(1,505,088)	(125,976)
- Capital raising costs	(49,347)	(46,440)
- Temporary differences and tax losses not brought to account as a deferred tax balance	1,054,310	(20,698)
Income tax expense reported in income statement	-	-

Unrecognised deferred tax

	2022 \$	2021 \$
Deferred tax assets have not been recognised in respect of the following items		
Prepayments	(98,349)	748,426
Property, plant and equipment	(2,866,254)	(20,942)
Exploration Expenditure	(5,252,267)	(2,997,068)
Mining Development Assets	(6,459,269)	-
Right of use assets	1,645	-
Provisions and accrued expenses	408,993	1,058,731
Other advances / provisions	630,312	-
Tax deductibility for capital raising costs	592,232	670,727
Revenue Losses	18,747,074	5,564,797
Capital Losses	250,807	217,366
	5,954,924	5,242,037

The Group has \$62,490,248 (2021: \$21,403,064) tax losses arising in Australia that are available indefinitely for offset against future profit of the companies in which the losses arose.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

8. Income tax (continued)

The potential deferred tax asset of \$5,954,924 (2021: \$5,242,037), arising from tax losses and temporary differences (as disclosed above), has not been recognised as an asset because recovery of tax losses and temporary differences is not considered probable.

The potential deferred tax asset will only be obtained if:

- the relevant Group derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised;
- the relevant Group continues to comply with the conditions for deductibility imposed by tax legislation; and
- no changes in tax legislation adversely affect the relevant Group in realising the benefit from the deduction for the losses.

	2022 \$	Restated * 2021 \$
9. Cash and cash equivalents and other financial assets		
Cash and cash equivalents		
Cash at bank	18,132,571	30,408,541
Cash on deposit	110,000	110,000
	<u>18,242,571</u>	<u>30,518,541</u>
Other financial assets		
Security deposit (cash on deposit)	3,000,000	3,000,000
	<u>3,000,000</u>	<u>3,000,000</u>

The cash at bank includes \$2,162,673 (2021: \$510,301) held in trust by Catalyst's subsidiaries, Kite Gold Pty Ltd (advanced by Gold Exploration Victoria Pty Ltd as funds provided in advance for exploration expenditure on the Four Eagles Gold Project joint venture and Boort Project joint venture) and Tandarra Management Pty Ltd (advanced by Navarre Minerals Limited as funds provided in advance for exploration expenditure on the Tandarra Gold Project joint venture).

*Refer Note 34 for detailed information on restatement of comparative.

	2022 \$	2021 \$
10. Trade and other receivables		
Current		
Trade debtors	-	344,257
GST receivable	361,772	187,846
Prepayments	2,028,763	1,481,653
Other	1,040,758	802,398
	<u>3,431,293</u>	<u>2,816,154</u>
Non-current		
Environmental Rehabilitation Bond	36,500	10,000
	<u>36,500</u>	<u>10,000</u>

Fair value and credit risk

Due to the short term nature of the receivables, their carrying value is assumed to approximate their fair value.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

	2022 \$	2021 \$
11. Inventories		
Gold stocks – ore stockpiles and gold in circuit	3,177,296	1,532,162
Stock on hand – parts and consumables	2,528,530	2,366,433
	<u>5,705,826</u>	<u>3,898,595</u>
	2022 \$	Restated * 2021 \$
12. Property, plant and equipment		
Land and buildings – at cost	1,547,775	770,000
Less: accumulated depreciation	(43,846)	(21,923)
	<u>1,503,929</u>	<u>748,077</u>
Plant and equipment – at cost	12,966,538	12,538,203
Less: accumulated depreciation	(3,404,987)	(904,378)
	<u>9,561,551</u>	<u>11,633,825</u>
Right of use asset – at cost	260,594	-
Less: accumulated depreciation	(139,444)	-
	<u>121,150</u>	<u>-</u>
	<u>11,186,630</u>	<u>12,381,902</u>

12. Property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below

	Land and Buildings \$	Plant and equipment \$	Right of use asset \$	Total \$
Balance at 30 June 2020	-	96,867	-	96,867
Additions	-	3,429,024	-	3,429,024
Additions through business combination * Restated	770,000	8,999,212	-	9,769,212
Depreciation expense * Restated	(21,923)	(891,278)	-	(913,201)
Balance at 30 June 2021 * Restated	748,077	11,633,825	-	12,381,902
Additions	799,698	1,332,713	260,594	2,393,005
Additions through business combination	-	-	-	-
Depreciation expense	(43,846)	(3,404,988)	(139,443)	(3,588,275)
Balance at 30 June 2022	<u>1,503,929</u>	<u>9,561,550</u>	<u>121,151</u>	<u>11,186,630</u>

Additions to the right-of-use assets during the year were \$260,594.

The consolidated entity leases land and buildings for its offices with, in some cases, options to extend.

The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

*Refer Note 34 for detailed information on restatement of comparative.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

13.	Exploration and evaluation expenditure	2022 \$	Restated * 2021 \$
	Opening balance	11,432,459	5,547,838
	Additions	6,075,098	5,884,623
	Additions through business combination	-	-
	Closing balance	17,507,557	11,432,461

The ultimate recoupment of balances carried forward in relation to areas of interest still in the exploration or evaluation phase is dependent on successful development, and commercial exploitation, or alternatively sale of the respective areas. The Group conducts impairment testing when indicators of impairment are present at the reporting date.

*Refer Note 34 for detailed information on restatement of comparative.

14.	Mining Development Assets	2022 \$	Restated * 2021 \$
	Capitalised mine development	20,428,429	18,749,849
	Opening Balance	18,749,849	-
	Additions	8,535,021	5,817,608
	Additions through business combination (Note 26)	-	17,338,545
	Amortisation Expenses	(6,856,441)	(4,406,304)
	Closing balance	20,428,429	18,749,849

*Refer Note 34 for detailed information on restatement of comparative.

15.	Trade and other payables	2022 \$	2021 \$
	Current Payables		
	Trade creditors	7,365,776	5,312,075
	Accruals	4,636,924	6,327,970
		12,002,700	11,640,045

Included in the current payables is an aggregate amount of \$918,679 (2021: \$257,511) incurred in relation to the Four Eagles Gold Project and Tandarra Gold Project which is payable by Gold Exploration Victoria Pty Ltd and Navarre Mineral Limited.

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value. Trade and other payables are non-interest bearing and normally settled on 30-day terms.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

	2022 \$	2021 \$
16. Advances		
Opening Balance of Advance from Joint Venture Partners	215,526	531,634
Advances received from Joint Venture Partners	9,019,797	5,614,506
Exploration expenditure	(7,720,324)	(5,930,614)
Closing Balance of Advance/(Receivable) from Joint Venture Partners	1,514,999	215,526

The (receivable)/advance from Joint Venture Partners relates to monies (receivable)/advanced (from)/to Kite Gold Pty Ltd, Tandarra Management Pty Ltd, Kite Operations Pty Ltd and Silkfield Holdings Pty Ltd for their contribution to exploration expenditure on the Four Eagles, Tandarra, Boort and Drummartin Gold Projects.

	2022 \$	2021 \$
17. Lease liabilities		
Current	639,760	224,794
Non – current	123,979	220,063
	763,739	444,857

	2022 \$	2021 \$
18. Interest bearing liabilities		
Opening balance	802,610	-
Movement during the period	706,671	802,610
Closing balances	1,509,281	802,610

Interest bearing liabilities relate to insurance premium funding which is repayable by February 2023. An interest rate of 3.45% applies.

	2022 \$	2021 \$
19. Employee benefits		
Current	1,589,103	604,350
Non – current	711,018	-
	2,300,121	604,350
Provision for employee benefits	2,300,121	604,350
	2,300,121	604,350

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

	Note	2022 Number	2022 \$	2021 Number	2021 \$
20. Contributed Equity					
(a) Share capital					
Ordinary shares					
Fully paid	20©	98,456,148	73,080,738	98,295,723	72,754,897
(b) Other equity securities					
Options – Listed	20(d)	-	157,785	7,881,996	157,785
Total contributed equity			73,238,523		72,912,682
(c) Movements in Ordinary Shares					
Details		Number of Shares	Issue Price		\$
Balance at 30 June 2020		82,399,646			41,192,324
Issue of shares –					
Exercise of listed options		52	\$2.45		127
Issue of shares –					
Exercise of unlisted options		1,000,000	\$1.00		1,000,000
Issue of shares –					
Share Placement		14,896,025	\$2.10		31,281,653
Capital raising expenses		-	-		(719,207)
Balance at 30 June 2021		98,295,723			72,754,897
Issue of shares –					
Issue to directors		135,000	\$2.03		274,050
Issue of shares –					
Issue to consultant		25,000	\$2.03		50,750
Issue of shares –					
Exercise of listed options		425	\$2.45		1,041
Balance at 30 June 2022		98,456,148			73,080,738

Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

20. Contributed Equity (continued)

(d) *Movements in Options - Listed*

Details	Number of Options	Issue Price	\$
Balance at 30 June 2020	7,882,048		157,785
Issue of options –			
Entitlement offer	-	-	-
Exercise of options	(52)	-	-
Balance at 30 June 2021	7,881,996		157,785
Issue of options –			
Entitlement offer	-	-	-
Exercise of options	(425)	-	-
Lapse of options	(7,881,571)		-
Balance at 30 June 2022	-		157,785

(e) *Share based payment reserve*

Details	Number of Options	Issue Price	\$
Balance at 30 June 2021	-	-	372,912
Issue of options –			
To former CEO (EIS)	250,000	\$0.48	120,500
Balance at 30 June 2022	250,000		493,412

(f) *Capital risk management*

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

In order to maintain or adjust the capital structure, the entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

The entity does not have a defined share buy-back plan.

There is no current intention to incur debt funding on behalf of the Group as on-going exploration expenditure will be funded via cash reserves, equity or joint ventures with other companies. The Group is not subject to any externally imposed capital requirements.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

20. Contributed Equity (continued)

(g) Details of subsidiaries

Details of the Group's subsidiaries at 30 June 2022 are:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held	
			2022	2021
Silkfield Holdings Pty Ltd	Mineral Exploration	Australia	100%	100%
Kite Gold Pty Ltd	Mineral Exploration	Australia	100%	100%
Kite Operations Pty Ltd	Mineral Exploration	Australia	100%	100%
Tandarra Management Pty Ltd	Mineral Exploration	Australia	100%	100%
Nomad Metals Pty Ltd	Mineral Exploration	Australia	100%	100%
Unity Mining Pty Ltd	Mineral Exploration	Australia	100%	100%
Henty Gold Pty Ltd	Gold Ore Production	Australia	100%	100%
Four Eagles JV Property Pty Ltd	Property	Australia	50%	50%

21. Reserves & Accumulated Losses

(a) Reserves

	2022 \$	Restated * 2021 \$
Share-based payments reserve		
Balance at the beginning of the year	372,972	372,972
Movements during the year	120,500	-
Balance at the end of the year	493,472	372,972

The share-based payments reserve records the value of share options issued by the Group.

(b) Accumulated losses

Balance at the beginning of the year	(18,103,217)	(19,037,962)
Profit for the year	2,091,498	934,745
Balance at the end of the year	(16,011,719)	(18,103,217)

*Refer Note 34 for detailed information on restatement of comparative.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

22. Notes to the Cash Flow Statement

*(a) Reconciliation of net cash used in operating activities
to operating loss after income tax*

	2022 \$	Restated * 2021 \$
Operating profit after tax	2,091,498	934,745
Add non-cash items:		
Depreciation	2,018,757	750,888
Depreciation and amortisation relating to gold sales	8,324,457	4,406,304
Share based payments	445,300	-
Derecognised contingent consideration	(5,000,000)	-
Changes in net assets and liabilities		
(Increase)/decrease in receivables	(641,639)	1,316,506
(Increase)/decrease in inventory	(1,807,231)	(433,310)
(Decrease)/increase in payables	1,560,237	4,706,901
Net cash provided/(used) in operating activities	6,991,377	9,553,345

*Refer Note 34 for detailed information on restatement of comparative.

23. Deferred and contingent consideration payable

	2022 \$	Restated * 2021 \$
Deferred consideration payable (refer to note 26)	-	5,205,000
Contingent consideration payable (refer to note 26)	-	5,000,000
Deferred consideration payable (refer to note 26)	800,000	800,000
	800,000	11,005,000

The conditions relating to the payment of contingent considerations were not met and this amount was derecognised to the profit and loss (refer to note 5).

*Refer Note 34 for detailed information on restatement of comparative.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

24. Related Party Disclosures

Parent entity

Catalyst Metals Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 20.

Key management personnel

Disclosures relating to key management personnel are set out in the remuneration report included in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

Key management personnel remuneration

	2022 \$	2021 \$
Short-term employee benefits	1,411,147	1,000,586
Share Based Payment	414,850	-
Post-employment benefits	134,238	92,390
	<u>1,960,235</u>	<u>1,092,976</u>

Detailed remuneration disclosures are provided in the Remuneration Report section of the Director's Report.

	2022 \$	2021 \$
Payment for services from Raisemetrex Pty Ltd (director-related entity of Mr Stephen Boston)	60,000	60,000
	<u>60,000</u>	<u>60,000</u>

Receivable from and payable to related parties

There are no outstanding receivables and payables at the reporting date in relation to transactions with related parties.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

25. Share Based Payments

Employee Incentive Plan

Equity incentives (shares or options or performance rights over shares) in the Company can be granted to eligible employees and officers of the Group under the Catalyst Metals Limited Employee Incentive Plan ("Incentive Plan"). The number of equity incentives that can be issued under the plan cannot exceed 5% of the total number of shares on issue. The terms and conditions of the equity incentives issued under the plan are at the discretion of the Board.

There were no equity incentives issued during the current period and previous year under the employee incentive plan.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

25. Share Based Payments (continued)

Options issued

During the year the Company issued 250,000 options to key management personnel of the Company as part of their remuneration package for FY2022.

		2022		2021	
		Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Opening amounts		-	-	1,000,000	\$1.00
Issued during the year		250,000	\$3.00		
Exercised during the year		-	-	(1,000,000)	\$1.00
Closing amount		250,000	\$3.00	-	-

2022								
Issue date	Expiry date	Balance at start of year	Exercise Price	Number issued during year	Number exercised during year	Number expired during year	Balance at end of year	Number exercisable at end of year
22 Oct 2021	30 Nov 2024	-	\$3.00	250,000	-	-	250,000	250,000

2021								
Issue date	Expiry date	Balance at start of year	Exercise Price	Number issued during year	Number exercised during year	Number expired during year	Balance at end of year	Number exercisable at end of year
7 Nov 2016	31 Oct 2020	1,000,000	\$1.00	-	1,000,000	-	-	-

The weighted average share price during the financial year was \$2.03 (2021: \$2.03).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.6 years (2021: nil).

The fair value of the equity-settled share options granted is estimated as at the grant date using a Hoadley ESO2 option valuation model taking into account the terms and conditions upon which the options were granted, as follows for the year ended 30 June 2022:

	\$3.00 Options
Number	250,000
Expected volatility (%)	50.0%
Risk-free interest rate (%)	0.67%
Exercise price (cents)	\$3.00
Grant date share price (cents)	\$2.08
Vesting date	20/10/2021
Valuation	\$0.48
Total value	\$120,500

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

25. Share Based Payments (continued)

Directors Shares

Mr Kay and Mr Schwab were issued 75,000 shares and 60,000 shares respectively for the significant additional services they provided during the Henty Gold Mine acquisition process. Mr Schwab was issued 10,000 shares for the consulting services rendered. The shares were valued at \$2.03, being the closing price on 12 November 2021, when the issue of the shares was approved by shareholders.

No shares were issued as compensation during the previous financial year.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

26. Business Combination

On 20 January 2021, the group acquired 100% of the shares and voting rights in Unity Mining Mining Pty Ltd and its 100% owned subsidiary, Henty Gold Mine Pty Ltd (the entity that owned the Henty Gold Mine asset). Henty Gold Mine is an underground gold-silver mine with established infrastructure and significant exploration upside in the mineral rich Mt Read Volcanic belt in Western Tasmania, proximate to world class deposits. The operation consists of an underground mine, which is accessible from surface to the series of ore bodies via shaft and decline, linked to a common portal exit, and a conventional CIL processing plant with a capacity of 300ktpa.

As at 30 June 2021, the acquisition had been accounted for as a business combination. The business combination had been accounted for on a provisional basis. In the current reporting period, the remeasurement of the consideration paid/payable and fair value of assets and liabilities acquired have been finalised. As a consequence of finalising the acquisition amounts, the following balances previously reported on a provisional basis have been restated.

	Provisional Amount \$	Measurement Period Adjustments \$	Finalised Fair Value \$
Cash	555,318	(247,650)	307,668
Receivables	1,741,007	(51,968)	1,689,039
Inventories	3,465,285	(192,077)	3,273,208
Property, plant & equipment	2,654,329	7,114,883	9,769,212
Exploration – mining rights	1,137,111	(1,137,111)	-
Mining development assets	3,708,538	13,630,007	17,338,545
Payables	(2,743,139)	(2,361,192)	(5,104,331)
Provisions	(3,329,300)	9,423	(3,319,877)
Deferred tax asset	-	2,021,018	2,021,018
Deferred tax liability	-	(2,021,018)	(2,021,018)
Fair value of tangible net assets acquired	7,189,149	16,764,315	23,953,464
Exploration and evaluation expenditure	17,810,851	(17,810,851)	-
Fair value of consideration	25,000,000	(1,046,536)	23,953,464
Representing			
Catalyst Limited Shares issued to vendor (1)	7,200,000	-	7,200,000
Cash consideration paid	6,000,000	(1,046,536)	4,953,464
Deferred share consideration (2)	800,000	-	800,000
Deferred cash consideration (3)	6,000,000	-	6,000,000
Contingent consideration payable (4)	5,000,000	-	5,000,000
	25,000,000	(1,046,536)	23,953,464
Cash used to acquire business, net of cash acquired:			
Acquisition date fair value of cash consideration			10,953,464
Less: cash acquired			(307,668)
Less: payments made in prior year			(5,440,796)
Net cash outflow			5,205,000

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

26. Business Combination (continued)

- (1) 3,428,572 ordinary shares issued at \$2.10 per share, as partial payment for the acquisition.
- (2) Deferred share consideration will be deferred for a minimum of 3 years after purchase at a value of \$800,000
- (3) Deferred cash consideration is to be paid on the 6-month (\$3,000,000) and 12-month (\$3,000,000) anniversary of the acquisition
- (4) Contingent consideration amount is calculated as the lesser of \$5,000,000 or 50% of cashflow to equity generated by Henty Gold Mine in the initial 12 months post acquisition. The payment of contingent consideration will occur as soon as practicable 12 months after acquisition. At the date of acquisition management assessed the probability of the payment as probable.

	2022 \$	2021 \$
27. Provisions		
Current	-	-
Non - current	2,927,690	2,912,677
	<u>2,927,690</u>	<u>2,912,677</u>
 Provision for rehabilitation	 2,927,690	 2,912,677
	<u>2,927,690</u>	<u>2,912,677</u>

Rehabilitation

The provision represents the present value of estimated costs for future rehabilitation of land explored or mined by the consolidated entity at the end of the exploration or mining activity. See note 1(o) for the accounting policy.

Movement in provisions

Movements in each class of provision during the current financial year are set out below:

	Rehabilitation
Carrying amount at the start of the year	2,912,677
Additional provisions recognised	15,013
Amounts transferred from non-current	-
	<u>-</u>
Carrying amount at the end of the year	<u>2,927,690</u>

28. Auditor's Remuneration

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the company, its network firms and unrelated firms:

	2022 \$	2021 \$
Audit or review of the financial statements	107,750	59,500
Other services – audit of joint venture financial statements	20,900	17,000
	<u>128,650</u>	<u>76,500</u>

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

29. Commitments

There were no outstanding commitments, which are not disclosed in the financial statements as at 30 June 2022 other than:

	2022 \$	2021 \$
(a) Tenement commitments		
No later than 1 year	1,526,925	1,461,750
Later than 1 year but not later than 5 years	1,148,800	-
	<u>2,675,725</u>	<u>1,461,750</u>

30. Financial Instruments

	Notes	Interest Rate	1 year or less \$	Over 1-5 years \$	Non-interest bearing \$	Total \$
2022						
Financial assets						
Cash and cash equivalents	9	0.29%	21,242,571	-	-	21,242,571
Trade and other receivables	10	-	-	-	1,550,471	1,550,471
Total financial assets			<u>21,242,571</u>	<u>-</u>	<u>1,550,471</u>	<u>22,793,042</u>
Financial liabilities						
Trade and other payables	15	-	-	-	(12,002,700)	(12,002,700)
Advances	16	-	-	-	(1,514,999)	(1,514,999)
Leases	17	4.16%	(639,760)	(123,979)	-	(763,739)
Deferred payables	23				(800,000)	(800,000)
Interest bearing liabilities	18	3.45%	(1,509,281)	-	-	(1,509,281)
Total financial liabilities			<u>(2,149,041)</u>	<u>(123,979)</u>	<u>(14,317,699)</u>	<u>(16,590,719)</u>
Net financial assets			<u>19,093,530</u>	<u>(123,979)</u>	<u>(12,767,228)</u>	<u>6,202,323</u>

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

30. Financial Instruments (continued)

	Notes	Interest Rate	1 year or less \$	Over 1-5 years \$	Non-Interest bearing \$	Total \$
2021						
Financial assets						
Cash and cash equivalents	9	0.5%	33,518,541	-	-	33,518,541
Trade and other receivables	10	-	-	-	1,344,653	1,344,653
Total financial assets			33,518,541	-	1,344,653	34,863,194
Financial liabilities						
Trade and other payables	15	-	-	-	(11,640,045)	(11,640,045)
Advances	16	-	-	-	(215,526)	(215,526)
Leases	17	5%	(224,794)	(220,063)	-	(444,857)
Deferred payables	23				(11,005,000)	(11,005,000)
Interest bearing liabilities	18	2.7%	(802,610)	-	-	(802,610)
Total financial liabilities			(1,027,404)	(220,063)	(22,860,571)	(24,108,038)
Net financial assets			32,491,137	(220,063)	(21,515,918)	10,755,156

	2022 \$	2021 \$
Reconciliation of net financial assets to net assets		
Net Financial Assets	6,202,323	10,755,156
Property, plant & equipment	11,186,630	12,381,902
Exploration expenditure	17,507,557	11,432,461
Capitalised development	20,428,429	18,749,849
Prepayments	1,917,322	1,481,501
Inventory	5,705,826	3,898,595
Employee benefits	(2,300,121)	(604,350)
Provisions	(2,927,690)	(2,912,677)
Net Assets	57,720,276	55,182,437

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

30. Financial Instruments (continued)

Financial risk Management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Market Risks

Interest rate risks

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing or fixed rate. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

Interest rate sensitivity

At 30 June 2022, if interest rates had changed by 100 basis points during the entire year with all other variables held constant, profit for the year and equity would have been \$227,302 (2021: \$324,911) lower/higher, mainly as a result of lower/higher interest income from cash and cash equivalents.

A sensitivity of 100 basis points has been selected as this is considered reasonably possible in the current economic environment. Based on the sensitivity analysis only interest revenue from variable rate deposits and cash balances are impacted resulting in a decrease or increase in overall income.

Credit risk

The maximum exposure to credit risk at balance date is the carrying amount (net of provision of doubtful debts) of those assets as disclosed in the balance sheet and notes to the financial statements. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Liquidity risk

The responsibility for liquidity risk management rests with the Board of Directors. The Group manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

30. Financial Instruments (continued)

Price risk

The consolidated entity is exposed to commodity price risk arises from gold and other metals held as sales.

The policy of the consolidated entity is to sell gold and other metals at the spot price and it has not entered into any hedging contracts. The consolidated entity's revenues were exposed to fluctuation in the price of these metals. If the average selling price of gold of \$2,529/oz (2021: \$2,315/oz) for the financial year had increased/decreased by 10% the change in the profit before income tax for the consolidated group would have been an increase /decrease of \$5,965,581 (2021: \$2,633,220).

31. Contingent Liabilities and Contingent Assets

The Group does not have any contingent liabilities or contingent assets at 30 June 2022.

32. Subsequent Events

On 27 September 2022 the Company released an updated Resource and Reserve statement which showed that Mineral Resources at the Henty Gold Mine had increased by 10% after accounting for FY22 production. Mineral Reserves for 30 June 2022 were 2.6Mt at 4.3g/t for 368,000oz Au (refer to Additional Information in this Annual Report).

No further significant events have occurred since the end of the financial year.

33. Parent Entity Disclosure

	2022 \$	Restated * 2021 \$
Total current assets	8,262,289	22,709,001
Total assets	58,121,672	60,233,579
Total current liabilities	860,640	415,131
Total liabilities	860,640	415,131
Equity		
Contributed equity	73,238,523	72,912,682
Share based payments reserve	493,472	372,972
Accumulated losses	(16,470,963)	(13,467,205)
Total equity	57,261,032	59,818,448
Profit (loss) for the year	(3,003,757)	(3,043,199)
Total comprehensive profit (loss)	(3,003,757)	(3,043,199)

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2022 and 30 June 2021.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

33. Parent Entity Disclosure (continued)

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2022 and 30 June 2021.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity;
- Investments in joint ventures are accounted for at cost, less any impairment, in the parent entity; and
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

34. Restatement of comparative and balances

The restatement of comparative balances comprises:

- During the period the Company completed the Purchase Price Accounting (PPA) for the Henty acquisition (refer to note 26), which had been reported on a provisional basis as at 30 June 2021. The finalisation of the PPA resulted in the restatement of certain 30 June 2021 balances.
- The reclassification of security deposits, which had previously been disclosed as cash and cash equivalents to other financial assets.

	Reported at 30 June 2021 \$	Effect of PPA \$	Restated \$
Cash and cash equivalents	33,518,541	(3,000,000)	30,518,541
Other financial assets	-	3,000,000	3,000,000
Property, plant and equipment	5,814,969	6,566,933	12,381,902
Exploration and evaluation assets	30,001,347	(18,568,886)	11,432,461
Mining development assets	6,505,722	12,244,127	18,749,849
Total assets	82,565,328	242,174	82,807,502
Deferred consideration payable	6,000,000	(795,000)	5,205,000
Total liabilities	28,420,065	(795,000)	27,625,065
Net assets	54,145,263	1,037,174	55,182,437
Equity			
Issued capital	72,912,682	-	72,912,682
Reserves	372,972	-	372,972
Accumulated losses	(19,140,391)	1,037,174	(18,103,217)
Total equity	54,145,263	1,037,174	55,182,437

No restatement occurred to the Statement of Financial Position as at 1 July 2020.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2022

	Reported at 30 June 2021 \$	Effect of PPA \$	Restated \$
Statement of comprehensive income			
Mining & Processing costs	(13,737,990)	3,786,167	(9,951,823)
Depreciation & amortisation relating to gold sales	(1,663,872)	(2,742,432)	(4,406,304)
Depreciation	(744,327)	(6,561)	(750,888)
Loss before tax	(102,429)	1,037,174	934,745
Income tax benefit	-	-	-
Net loss for the period	(102,429)	1,037,174	934,745
Total comprehensive loss for the period	(102,429)	1,037,174	934,745

	Reported at 30 June 2021 \$	Effect of Restatement \$	Restated \$
Cash Flows from Operating Activities			
Payments to suppliers, contractors and employees	(16,917,625)	1,356,551	(15,561,074)
Net cash flows from operating activities	9,553,345	1,356,551	10,909,896
Cash Flows from Investing Activities			
Payment for security deposit	-	(3,000,000)	(3,000,000)
Payment for mine development assets	(4,461,057)	(1,356,551)	(5,817,608)
Net cash flows used in investing activities	(19,219,384)	(4,356,551)	(23,575,935)
Net increase in cash and cash equivalents	15,183,021	(3,000,000)	12,183,021
Cash and cash equivalents at the beginning of the financial year	21,335,520	(3,000,000)	18,335,520
Cash and cash equivalents at the end of the financial year	33,518,541	(3,000,000)	30,518,541

	Reported at 30 June 2021 \$	Restated \$
Earnings per Share		
Basic earnings per share (cents per share)	(0.1)	1.04
Diluted earnings per share (cents per share)	(0.1)	0.96

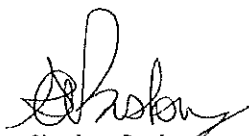
CATALYST METALS LIMITED

DIRECTORS' DECLARATION

The Directors of the Company declare that in the opinion of the Directors:

1. the financial statements and notes are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the year then ended;
2. the financial statements and notes thereto also comply with International Financial Reporting Standards, as disclosed in Note 1;
3. the Directors have been given the declarations required by section 295A of the Corporations Act 2001; and
4. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a circular resolution of the Board of Directors.



Stephen Boston
Chairman

Dated at Perth this 30th day of September 2022



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INDEPENDENT AUDITOR'S REPORT To the Members of Catalyst Metals Limited

Opinion

We have audited the financial report of Catalyst Metals Limited (**Company**) and its subsidiaries (**Group**), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (**Code**) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed this matter
<i>Carrying value of Capitalised exploration and evaluation expenditure</i> Refer to Note 13 in the financial statements	
As at 30 June 2022, the Group has capitalised exploration and evaluation expenditure with a carrying value of \$17,507,557. We determined this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the asset including: • Determination of whether expenditure can be associated with finding specific mineral resources and the basis on which that expenditure is allocated to an area of interest; • Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be assessed; and • Assessing whether any indicators of impairment are present and, if so, judgments applied to determine and quantify any impairment loss.	Our audit procedures included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • On a sample basis, testing that the Group has valid rights to explore in the specific areas of interest; • Agreeing, on a sample basis, additions to supporting documentation and assessing whether the amounts may be capitalised and relate to the specific areas of interest; • Evaluating management's assessment that no indicators of impairment existed for those tenements where the Group has current rights of tenure; • Assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of economically recoverable reserves may be reasonably determined; and • Enquiring with management and reading budgets and other documentation as evidence that active and significant operations in, or relation to, the areas of interest will be continued in the future.

Key audit matter	How our audit addressed this matter
Carrying value of Mining development assets Refer to Note 14 in the financial statements	
At 30 June 2022, the Group has Mining development assets with a carrying value of \$20,428,429. We considered this to be a key audit matter due to the significant judgement and estimates used by management in measuring the carrying value of these assets. Areas of judgement include • Determining the fair value of Mine development assets acquired in relation to the Henty Mine business combination (refer KAM below); • Application of the units of production method in determining the amortisation charge. This includes determining the appropriate mine reserve estimate and the cost allocation attributable to each asset; • Allocating mining development costs including expenditure incurred to develop new ore bodies to define further mineralisation in existing ore bodies, to expand the capacity of the mine and to maintain production; and • Assessing whether any indicators of impairment are present.	Our audit procedures included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Agreeing acquisition fair value of the Mine development assets to the finalised purchase price allocation; • On a sample basis, agreeing additions during the year to the Mine development asset to supporting documentation and evaluating whether the amounts were capital in nature and related to mining development activities; • Evaluating management's amortisation model and agreeing key inputs such as production costs and production outputs to supporting information. This included evaluating the work performed by management's expert with respect to the Life of Mine Plan and the mine reserve estimate and included assessing the competency and objectivity of the expert; • Testing the mathematical accuracy of the amortisation rates applied and resulting amortisation charge; • Critically evaluating management's assessment that no indicators of impairment existed; and • Assessing the disclosures in the financial statements.

Key audit matter	How our audit addressed this matter
Accounting for the acquisition of the Henty Mine Refer to Note 26 in the financial statements	
The Group acquired 100% of the shares and voting right in Unity Mining Pty Ltd and its 100% owned subsidiary, Henty Gold Mine Pty Ltd on 20 January 2021. The acquisition was determined to be a business combination during the 30 June 2021 year end and was accounted for on a provisional basis as at 30 June 2021. The measurement period for the business combination ended during the year ended 30 June 2022 and comparative balances have been restated as set out in Note 34. The finalisation of the business combination accounting for this acquisition is a key audit matter due to the material nature of the acquisition, the related management estimates and judgements associated with finalising the identification and measurement of the fair value the purchase consideration and assets and liabilities acquired.	Our audit procedures included: - Assessing the Group's account policy for compliance with the Australian Accounting Standards; - Reading the purchase agreement and other associated documents to obtain an understanding of the transaction and the related accounting considerations; - Testing the determination of the fair value of consideration payable, including evaluating the basis for measuring contingent consideration; - Assessing the methods, assumptions and data utilised in determining the fair value of assets and liabilities acquired, including evaluating the work performed by management's experts and the competency and objectivity of the expert; and - Assessing the disclosures in the financial statements, including the restatement of comparative balances.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements



can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Catalyst Metals Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in dark ink, appearing to read "RSM".

RSM AUSTRALIA PARTNERS

A handwritten signature in dark ink, appearing to read "Matthew Beevers".

Perth, Western Australia

30 September 2022

MATTHEW BEEVERS
Partner

CATALYST METALS LIMITED

ADDITIONAL INFORMATION

The following information was reflected in the records of the Company as at 23 September 2022.

Distribution of share and option holders

	Number of holders	
	Fully paid shares	Unlisted options
1 - 1,000	560	
1,001 - 5,000	508	
5,001 - 10,000	168	
10,001 - 100,000	275	
100,001 and over	82	1
	<u>1,593</u>	<u>1</u>
Including holdings of less than a marketable parcel	279	

Substantial shareholders

The following shareholders have lodged a notice of substantial shareholding in the Company.

Shareholder	Number of shares	%
St Barbara Limited	12,690,222	12.89
Gold Exploration Victoria Pty Ltd	12,495,278	12.69
Drill Investments Pty Ltd	7,375,000	7.49
Trapine Pty Ltd	5,799,877	5.89
Robin Scrimgeour	5,310,731	5.39

Twenty largest holders of fully paid shares

Shareholder	Shares	%
1. St Barbara Limited	12,690,222	12.89
2. Gold Exploration Victoria Pty Ltd	12,180,000	12.37
3. HSBC Custody Nominees (Australia) Limited	9,751,813	9.90
4. Drill Investments Pty Ltd	7,650,000	7.77
5. Citicorp Nominees Pty Ltd	6,781,430	6.89
6. Trapine Pty Ltd	4,467,270	4.54
7. Diversified Minerals Management Pty Ltd	2,960,999	3.01
8. BNP Paribas Nominees Pty Ltd	2,672,842	2.71
9. Kayfund Pty Ltd	2,183,843	2.22
10. Chepalix Pty Ltd	2,066,135	2.10
11. BMO Nesbitt Burns	1,428,571	1.45
12. Gavin Arnold Caudle	1,373,625	1.40
13. Providence Gold and Minerals Pty Ltd	1,285,349	1.31
14. Kimberley Downs Pty Ltd	1,208,921	1.23
15. Gavin Arnold Caudle	1,047,619	1.06
16. Lindway Investments Pty Ltd	952,198	0.96
17. Bayeux Investments Pty Ltd	814,779	0.83
18. Gavin Caudle	797,092	0.81
19. Roger George Davis	786,561	0.80
20. John Paul Sisterson	<u>709,255</u>	<u>0.72</u>
	<u>73,808,524</u>	<u>74.97</u>

CATALYST METALS LIMITED

ADDITIONAL INFORMATION

Unquoted securities

The following classes of unquoted securities are on issue:

Security	Number on issue	Holders of greater than 20% of each class of security		
		Name of holder	Number	%
Options over fully paid shares exercisable:				
- at \$3.00 each on or before 30.11.24	250,000	Bruce Robertson and Fiona Robertson	250,000	100.0

Classes of shares and voting rights

At meetings of members or classes of members, each member entitled to vote may vote in person or by proxy or attorney. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and on a poll, every person present in person or by proxy has one vote for each ordinary share held.

Voluntary escrow

	Number
Ordinary fully paid shares subject to voluntary escrow until 20 January 2024	3,428,572

Corporate governance statement

The Company's 2022 corporate governance statement can be viewed at <https://catalystmetals.com.au/about-catalyst/corporate-governance/>

CATALYST METALS LIMITED

ADDITIONAL INFORMATION

Tenement directory

Project	Tenement number	Beneficial interest
Victoria		
Four Eagles	RL006422, EL5295, EL5508, EL006859	50%
Tandarra	RL006660	51%
Macorna	EL5521, EL006894 EL006549 (mineral rights)	100% (farm-out of 50% interest)
Boort	EL006670	100% (farm-out of 50% interest)
Drummartin	EL006507	100%
Raydarra East	EL5509	100%
Sebastian	EL5533	100%
Raydarra	EL007214	100%
Golden Camel	EL5490, EL5449	50.1%
Tasmania		
Henty Gold Mine	ML 7M/1991, ML 5M/2002, ML 7M/2006, EL28/2001, EL8/2009	100%

Competent person statement

The information in this report that relates to exploration results is based on information compiled by Mr Bruce Kay, a Competent Person, 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 that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 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.

Much of the historical information relating to the Four Eagles project was prepared and first disclosed under the JORC Code 2004. This information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was reported.

Information relating to the Tandarra project was first disclosed by previous tenement holders under the JORC Code 2004. This information has been subsequently reported by the Company in accordance with the JORC Code 2012, refer to announcement dated 1 September 2014 and the quarterly activities report dated 31 July 2014.

CATALYST METALS LIMITED

ADDITIONAL INFORMATION

Mineral resources statement for Henty Gold Mine

In September 2022, CSA Global Pty Ltd (CSA Global) was commissioned by Catalyst Metals to prepare a Mineral Resource Estimate (MRE) for the Henty Gold Mine in Tasmania. The MRE has been reported in accordance with the JORC 2012 Code.

The Company's Mineral Resource estimate for the Henty Gold Mine as at 30 June 2022 is detailed below.

JORC Classification	Tonnage (Mt)	Au (g/t)	Ounces (koz)
Indicated	1.8	4.5	257
Inferred	0.9	4.0	111
Total	2.6	4.3	368

- Notes on Henty JORC 2012 Mineral Resources: The Resource estimate was prepared by CSA Global based on data up to 30 June 2022. An updated Resource estimate is currently being prepared.
- Due to the effect of rounding, totals may not represent the sum of all components.
- Tonnages are rounded to the nearest 0.1 million tonnes, ounces are rounded to the nearest 1,000 ounces, grades are shown to two significant figures.
- Reporting criteria are: Indicated and Inferred material (RESCAT=2 or RESCAT=3), Au >1.75 g/t (AU>1.75), unsterilised (STERIL=0) with reasonable prospects of eventual economic extraction (RPEEE=1).
- The information reported that relates to the Mineral Resources for the Henty underground deposit is extracted from the ASX release titled Major Exploration Programs, Complementary Acquisition and Capital Raising, dated 21 December 2020.

The Company's Mineral Resource estimate for the Henty Gold Mine as at 30 June 2021 was below.

JORC Classification	Tonnage (Mt)	Au (g/t)	Ounces (koz)
Indicated	1.6	4.3	225
Inferred	0.8	4.2	109
Total	2.4	4.3	334

The Company's Mineral Resource estimate for the Henty Gold Mine as at 30 June 2022 represents an increase by more than 10% to 368,000oz at 4.3 g/t after accounting for depletion from FY22 production.

Competent Person's Statement for JORC 2012 Mineral Resource Estimate

The Henty Resource estimation in this report was prepared by Ms Millicent Canisius, a Competent Person, who is an employee of CSA Global Pty Ltd, a Member of the Australasian Institute of Geoscientists (#3725) and a Member of the Australasian Institute of Mining and Metallurgy (#316885). Ms Canisius has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). Ms Canisius consents to the disclosure of information in this report in the form and context in which it appears.

Catalyst confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant ASX market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

Governance and internal controls

Mineral Resources are estimated either by suitably qualified consultants or internal personnel in accordance with the applicable JORC Code and using industry standard techniques and internal guidelines for the estimation and reporting of Mineral Resources. All data is collected in accordance with applicable JORC Code requirements. Any Ore Reserve estimates are based on pre-feasibility or feasibility studies which consider all material factors.

The estimates and supporting data and documentation are reviewed by qualified Competent Persons (including estimation methodology, sampling, analytical and test data).



ABN 54 118 912 495

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2021

CATALYST METALS LIMITED

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CATALYST METALS LIMITED

CORPORATE DIRECTORY

DIRECTORS

Stephen Boston (Non-Executive Chairman)
Robin Scrimgeour (Non-Executive Director)
Gary Schwab (Non-Executive Director)
Bruce Kay (Non-Executive Director)

COMPANY SECRETARY

Frank Campagna

REGISTERED OFFICE

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SHARE REGISTRY

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Sydney, New South Wales 2000

Telephone: 1300 288 664 or
+612 9698 5414
Email: hello@automicgroup.com.au
Website: www.automicgroup.com.au

STOCK EXCHANGE LISTING

Catalyst Metals Limited is listed on ASX Limited
Home Exchange – Perth
ASX code: CYL & CYLOA

GENERAL INFORMATION

The financial statements cover Catalyst Metals Limited as a consolidated entity ("Group" or "consolidated entity") consisting of Catalyst Metals Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Catalyst Metals Limited's functional and presentation currency.

Catalyst Metals Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' Report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 30 September 2021. The Directors have the power to amend and reissue the financial statements.

CATALYST METALS LIMITED

CHAIRMAN'S LETTER

Dear Shareholder,

The 2021 financial year has seen another significant step forward for your Company as it continued to consolidate its position as the most advanced gold explorer in the North Central Victorian Gold Fields whilst also becoming a gold producer following the acquisition of the fully operational high grade Henty Gold Mine in Tasmania. This acquisition delivered on a commitment made to our major shareholder base to pursue opportunities to acquire an operational gold mine with great exploration upside.

Some of the highlights of the Company's year are listed below.

In October 2020, the Company announced confirmation of multiple gold structures at the Tandarra Gold Project from diamond drilling at the Tomorrow zone, extensions of gold mineralisation at Macnaughtan from air core drilling and enhancement of gold mineralisation at the recently discovered Lawry zone.

The Company also announced in October 2020 that new zones of gold mineralisation with values of up to 43.5g/t Au had been intersected east of the Boyd's Dam trend which represented the discovery of a new mineralised structure. Further shallow high grade gold mineralisation was intersected at Boyd North. On 21 December 2020, the Company announced additional outstanding drilling results from Boyd's Dam (25 metres @ 23g/t Au, 7 metres @ 8.8g/t Au, 3 metres @ 19.3g/t Au, 7 metres @ 7.7g/t Au and 1 metre @ 32g/t Au), as well as the acquisition of the Henty Gold Mine in Tasmania, with significant in-mine and near mine exploration upside for a total cost of \$20 million (via a mix of shares, cash, two equal future dated deferred cash payments and a contingent deferred payment).

The Company also announced a Share Purchase Plan which was completed during the March 2021 quarter and raised \$4.8 million through the issue of 2,296,025 fully paid ordinary shares at an issue price of \$2.10 per share.

Settlement of the acquisition of the Henty Gold Mine was completed on 20 January 2021, with the Company becoming a gold producer from that date.

On 4 February 2021, the Company announced the completion of a private placement of \$1.26 million (at \$2.10 per share) to a new shareholder based in Singapore.

In March 2021, the Company announced visible gold in deep structure and high grade gold mineralisation from diamond drilling at the Four Eagles Gold Project. Intersections of 1.25 metres @ 117.0g/t Au, 0.3 metres @ 22.5g/t Au and 0.3 metres @ 33.8g/t Au were reported.

On 1 April 2021, the Company announced the purchase of a 263 hectare block of freehold land on behalf of the Four Eagles Joint Venture. The land covers the Boyd's Dam gold zone as well as potential newly discovered gold zones to the east. Ownership allows the Joint Venture to carry out drilling throughout the year (subject to weather), as well as security of land title over any future gold project development.

On 15 April 2021, the Company announced high grade zones with visible gold at the Tandarra Gold Project with two diamond drill holes at the Macnaughtan prospect intersecting visible gold and reporting grades of up to 412 g/t Au. At the nearby Lawry prospect, infill air-core drilling delivered 6 metres @ 3.16g/t Au and 2 metres @ 16.33g/t Au.

On 21 April 2021, the Company announced that the Henty Gold Mine had exceeded expectations by delivering positive operating cash flow and an estimated production forecast of 25,000 ounces of gold for calendar year 2021.

On 19 May 2021, the Company announced the receipt of favourable metallurgical results for Boyd's Dam. The test work indicated that the material is non-refractory, 97% gold recovery was achieved by gravity concentration & direct cyanidation, 99% gold recovery could be obtained from a combined gravity & floatation concentrate and results enable a number of processing alternatives to be evaluated for Boyd's Dam.

CATALYST METALS LIMITED

CHAIRMAN'S LETTER

On 22 June 2021, the Company announced high grade gold intersections up to 600g/t Au from in-mine near surface exploration at the Henty Gold Mine. Twenty six intersections were recorded with greater than 20g/t Au metres providing the Company with confidence in future higher grade gold mining being achieved at Henty.

The Board would like to especially acknowledge the outstanding work and effort of our technical team headed up by our Technical Director, Bruce Kay, as well as the management team, all our employees. More recently, we welcomed the valuable addition of Dion Alford as General Manager of Operations at Henty and all the people in his team at Henty who have seamlessly joined the Company, and all of whom will be contributing to the future success of our Company.

In closing off on yet another year of progress for our Company - your Board would like to acknowledge and thank all of its many loyal shareholders (old and new), our Joint Venture Partners and the many consultants and advisers, for all they have done to enhance and contribute towards the future growth of your Company as it continues to position itself to make a major high grade gold discovery in both Victoria and Tasmania.



Stephen Boston
Chairman
30 September 2021

CATALYST METALS LIMITED

DIRECTORS' REPORT

The Directors of Catalyst Metals Limited present their report on the consolidated entity for the year ended 30 June 2021.

DIRECTORS

The names of the Directors in office at any time during or since the end of the financial year are:

Stephen Boston
Robin Scrimgeour
Gary Schwab
Bruce Kay

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

Frank Campagna

FINANCIAL POSITION

The net assets of the Group are \$54,145,251 as at 30 June 2021 (2020: \$22,685,119).

CORPORATE STRUCTURE

Catalyst Metals Limited is a company limited by shares that is incorporated and domiciled in Australia.

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year were mineral exploration and evaluation and production of gold.

RESULTS OF OPERATIONS

The operating loss after income tax of the Group for the year ended 30 June 2021 was \$102,441 (2020: \$1,746,832).

DIVIDENDS

No dividend has been paid during or is recommended for the financial year ended 30 June 2021.

REVIEW OF OPERATIONS

The Company has made major advances in 2020/21 with excellent exploration results in Victoria at Four Eagles Gold Project, Tandarra Gold Project and the Drummartin exploration project. Significantly, in January 2021, Catalyst purchased the Henty Gold Mine in Tasmania, and this has added resources, gold production, cash flow and exploration upside. In the 5 months and 12 days of mine ownership, the company produced 11,677 ounces of gold and revenue of \$28.5 million

Victoria Introduction and Overview

Catalyst has significant interests in two retention licences (RL's) and fourteen exploration licences (EL's) over the Whitelaw Gold Belt and similar geological terranes both to the east and to the west (Figure 1). These licences total some 2,246 square kilometres in area with the addition of the Golden Camel Project, where Catalyst has the right to acquire an interest in the Golden Camel mining leases MIN5548 and MIN5570 (Golden Camel mine) (Figure 1).

CATALYST METALS LIMITED

DIRECTORS' REPORT

The Whitelaw Fault is a 75 kilometre long geological structure thought to control the emplacement of the Bendigo gold deposits, which extends in a generally northerly direction from Bendigo in favourable Ordovician rocks beneath the covering veneer of the Murray Basin sediments. In particular, the Four Eagles and Tandarra Gold Projects (respectively 55 kilometres and 40 kilometres north-northwest of Bendigo) contain gold discoveries similar in structural style but differing mineralogically to the historic Bendigo goldfield. The regional fault systems parallel to the Whitelaw Fault also provide potential for Bendigo and/or Fosterville-style discoveries at the Drummartin, Boort and Golden Camel projects. Significant developments during the financial year included the following:

Four Eagles Gold Project

- Further high grade intersections were recorded at Boyd's Dam and Boyd North
- Excellent recoveries were seen in metallurgical testwork from gravity, flotation and cyanide leaching
- Scoping studies continued on the viability of mining on the Boyd's Dam mineralisation with extensive groundwater and geotechnical studies
- 650 hectares of freehold land were purchased over the Boyd's Dam project

Tandarra Gold Project

- High grade gold intersections drilled at Macnaughtans Prospect, extending the strike length to 1.4 kilometres
- Further high grade gold intersections recorded at the new Lawry Zone
- Multiple intersections further defined repetitions at depth beneath the main Tomorrow Zone mineralisation
- Scoping studies on potential open pit and underground development are in progress on the Tomorrow Zone

Drummartin Project

- Large air core drilling program completed on a further five of the thirteen gravity targets
- Indications of gold mineralisation present at Target 9

Golden Camel Project

- High grade gold intersections drilled at Golden Camel and Toolleen prospects
- Catalyst has earned 50.1% interest in the regional joint venture (EL5449, EL5490)

Other Exploration Projects

Air core drilling was carried out on the Macorna Project (EL5521, EL006894 and EL006549) and to the north (EL5295) and east (EL006859) of the Four Eagles Gold Project. The large ground gravity survey was completed at Boort (EL06670).

COVID-19 pandemic management

Exploration activities have been affected by the inability of drilling contractors to travel from New South Wales as well as the issues of decreased communication of staff and management. Nevertheless, drilling has continued throughout most of the financial year.

FOUR EAGLES GOLD PROJECT

The Four Eagles Gold Project is a joint venture between Catalyst's 100%-owned subsidiary, Kite Gold Pty Ltd and Gold Exploration Victoria Pty Ltd (GEV). The project is managed by Catalyst and is jointly funded (50:50) by Catalyst and GEV within the Four Eagles Joint Venture.

The Four Eagles Joint Venture includes retention license RL006422 and adjoining EL's (Figure 1). The retention licence covers an envelope of gold mineralisation about 6 kilometres long and 2.5 kilometres wide with high grade gold occurring in at least three structural zones trending roughly north-south (Boyd's Dam - Boyd North, Hayanmi and Pickles; as detailed on Figure 3). Additional prospective structural zones are shown including the Cunneens prospect to the west and Eagle 5 and Eagle 6 to the east.

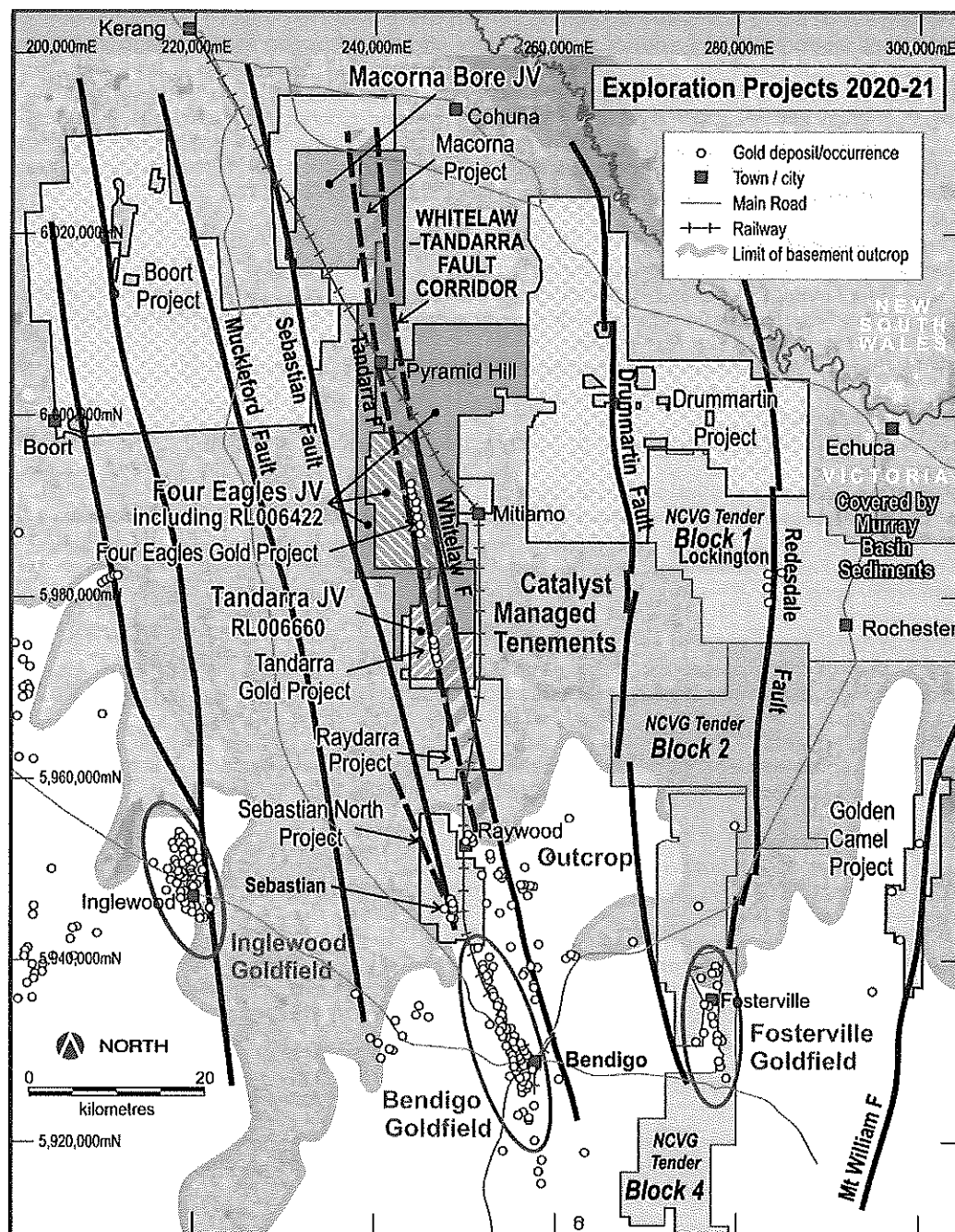


Figure 1: Whitelaw Gold Belt and Parallel Structural Zones showing Catalyst managed tenement holdings

CATALYST METALS LIMITED

DIRECTORS' REPORT

Drilling at Boyd's Dam - Boyd North during 2020-21 included diamond (DD), reverse circulation (RC) and air-core (AC) programs. The DD programmes produced further high grade gold intersections and showed the presence of the Boyd Western Shear that extends over the 1.5 kilometre strike length of the system and may represent a feeder structure to the flatter west dipping gold zones that contain much of the shallow high grade shoots. As shown on Figure 2, some of the intersections recorded are:

- 4.5 metres @ 17.7g/t Au
- 1.35 metres @ 117g/t Au
- 3.0 metres @ 19.3g/t Au
- 7.0 metres @ 5.7g/t Au
- 3.0 metres @ 10.0g/t Au

Air core drilling east of Boyd's Dam at Eagle 5 or Eagle 6 intersected both high grade and lower grade gold mineralisation (1 metre @ 43.5g/t Au and 9 metres @ 2.0g/t Au).

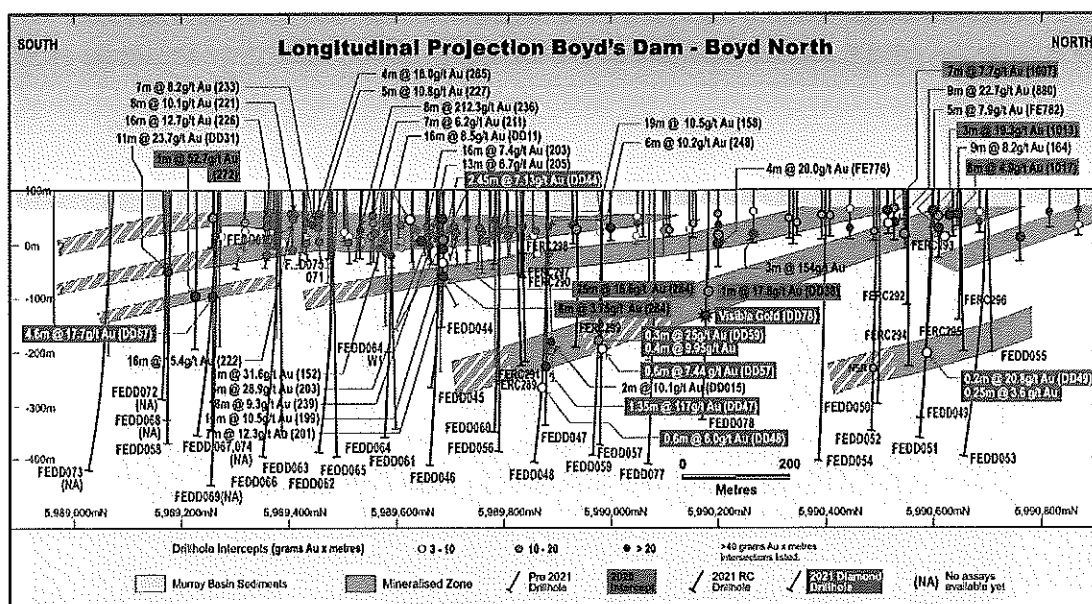


Figure 2: Longitudinal Projection of Boyd's Dam-Boyd North showing 2021 diamond and RC drill holes and significant intercepts

Investigations continued into the geotechnical characteristics of cover sediments, mineralised zones and enclosing rocks, and the hydrological character of cover and basement. Water monitoring bores were completed and drawdown tests have been used to measure water flows in the basement rocks and cover sequence. Hydrological modelling is in progress and this information will be vital in any mining scenario.

TANDARRA GOLD PROJECT

The Tandarra Gold Project is a joint venture between Catalyst's 100%-owned subsidiary Kite Operations Pty Ltd and Navarre Minerals Limited (Navarre). The project is managed by Catalyst and is jointly funded (51:49) by Catalyst and Navarre within the Tandarra Joint Venture.

The Tandarra Joint Venture covers Retention Licence RL006660. The RL covers an envelope of gold mineralisation and prospectivity about 12 kilometres long and up to 4 kilometres wide with high grade gold occurring in three structural zones trending roughly north-south (Tomorrow, Macnaughtans and Lawry Zones, as detailed on Figure 4).

DIRECTORS' REPORT

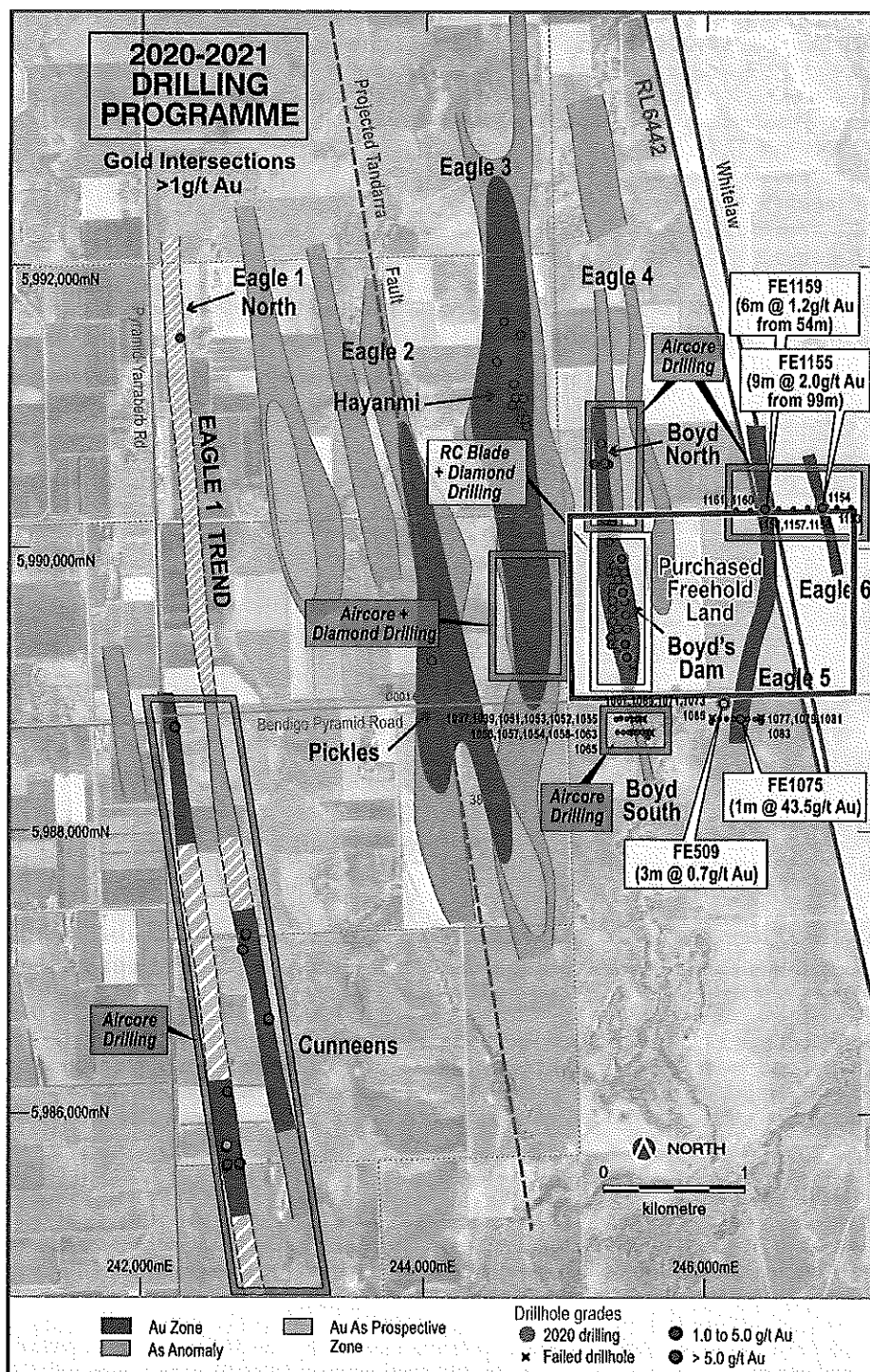


Figure 3: Four Eagles Gold project showing location of prospect locations, gold trends, 2020-21 drilling program locations, and area of freehold land purchased.

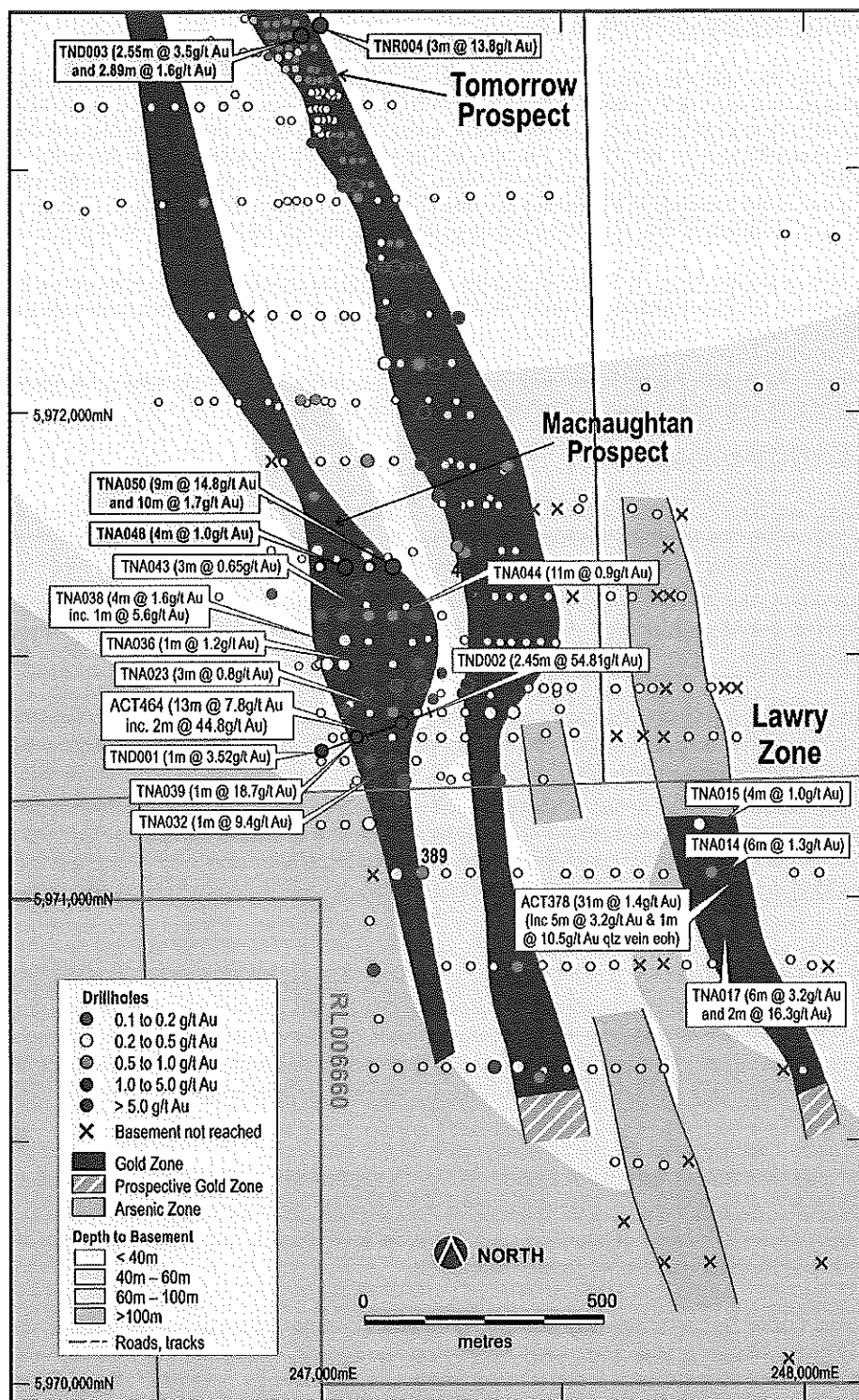


Figure 4: AC drill plan of the southern portion of the Retention Licence RL006660 showing gold and arsenic enriched zones and significant results achieved in the southern extension of Macnaughtan Zone and in the discovery of Lawry Zone

CATALYST METALS LIMITED

DIRECTORS' REPORT

OTHER BENDIGO REGIONAL EXPLORATION

The Golden Camel Joint Venture (Catalyst 50.1% in exploration licences (EL's) 5449 and 5490, including the now closed Toolleen mine, with right to purchase a 50.1% interest in the Golden Camel mining leases) advanced with diamond drilling on the Golden Camel mining licence and RC drilling on the Toolleen Project. The best diamond drillhole at Golden Camel contained **9 metres @ 5g/t Au** which shows the extension of the gold mineralisation below the oxide zone. At Toolleen an RC hole intersected **6 metres @ 9.7g/t Au including 2 metres @ 27.7g/t Au**. Catalyst has now earned a 50.1% interest in the joint venture on the exploration licences and is considering its option to purchase 50.1% of the mining licences.

At the Boort exploration licence EL006670 (Figure 1), Catalyst as manager of the joint venture with GEV has carried out a detailed gravity survey over the entire exploration licence and plans air core drilling over the gravity targets in the 2021-22 year.

At Drummartin (EL006507, Figure 1) a large air core drilling program was completed over five gravity targets and assays were still awaited at the end of the financial year.

HENTY GOLD MINE TASMANIA

On the 20 January 2021, Catalyst acquired the Henty Gold Mine in Tasmania by purchasing shares in Unity Mining Pty Ltd (Unity) from Diversified Minerals Pty Ltd. The acquisition of Unity for \$8 million in Catalyst shares at \$2.10 per share, \$6 million initial cash payment and two deferred payments of \$3 million each, 6 and 12 months after acquisition, represent the consideration. In addition to the aforementioned consideration a contingent payment of up to \$5 million may be payable subject to the after tax performance of Unity.

Following acquisition, the Catalyst focussed upon change management functions that enabled a smooth transition of ownership and assimilation of personnel into the Company. A full site safety review was conducted with site management and appropriate changes were implemented. There was renewed focus on mill recovery, production and exploration strategy, and ensuring that critical spares were ordered. Catalyst implemented significant upgrades of both the Enterprise Resource Planning (ERP) and Information Technology capabilities of the site to assist management and operating personnel in their decision making and reporting functions. These changes have had an immediate positive impact on the operations.

The past financial year has seen Catalyst advance towards realising its vision of being a leading low cost gold producer focussed on safety, profitability, sustainability and discovery. As well as continuing its success as an explorer, with the acquisition of the Henty Gold Mine the Company has now become a profitable gold producer. This enables Catalyst to reinvest in its projects and provide benefits to all constituency interests as it continues to undertake significant exploration programmes in both Victoria and Tasmania.

Both Henty and Victoria represent well endowed high grade mineral provinces with substantial historic gold production. Acquiring the Henty Gold Mine was complementary to the future of Catalyst as it develops inhouse underground production and technical services skills and judgement that will assist to de-risk any future development in Victoria or elsewhere.

Inaugural production for the Company from 20 January to 30 June 2021 was 11,677 ounces of gold at a C1 cash cost and AISC of \$1,506 and \$1,731 per ounce respectively. Revenue from the Henty Gold Mine for the 5 months and 11 days under Catalyst ownership was \$28.3 million and after royalties, refining and operating costs an operating profit of \$8.4 million was realised. After allowing for amortisation and overhead costs an inaugural operating profit before tax of \$7.2 million was achieved.

In addition to the gold production, the Company has commenced an aggressive exploration campaign with three diamond drills operating underground and surface drilling imminent for the September 2021

CATALYST METALS LIMITED

DIRECTORS' REPORT

Quarter. Spectacular results have already been achieved with several intersections of greater than 100g/t Au being recorded (4.0 metres @ 103.0g/t Au, 7.1 metres @ 48.0g/t Au, 0.9 metres @ 90.1g/t Au, 3.0 metres @ 34.5g/t Au, 1.5 metres @ 121.4g/t Au, 2.65 metres @ 221.0g/t Au, 7.8 metres @ 36.4g/t Au). These intersections are already impacting the grade of gold production and have added gold ounces to the resource when CSA completes the updated mineral resource statement effective 30 June 2021. The objective at Henty is to ultimately increase grade and production to achieve 50,000 ounces of gold per annum. Regional and in-mine exploration targets are summarised on Figures 5 and 6.

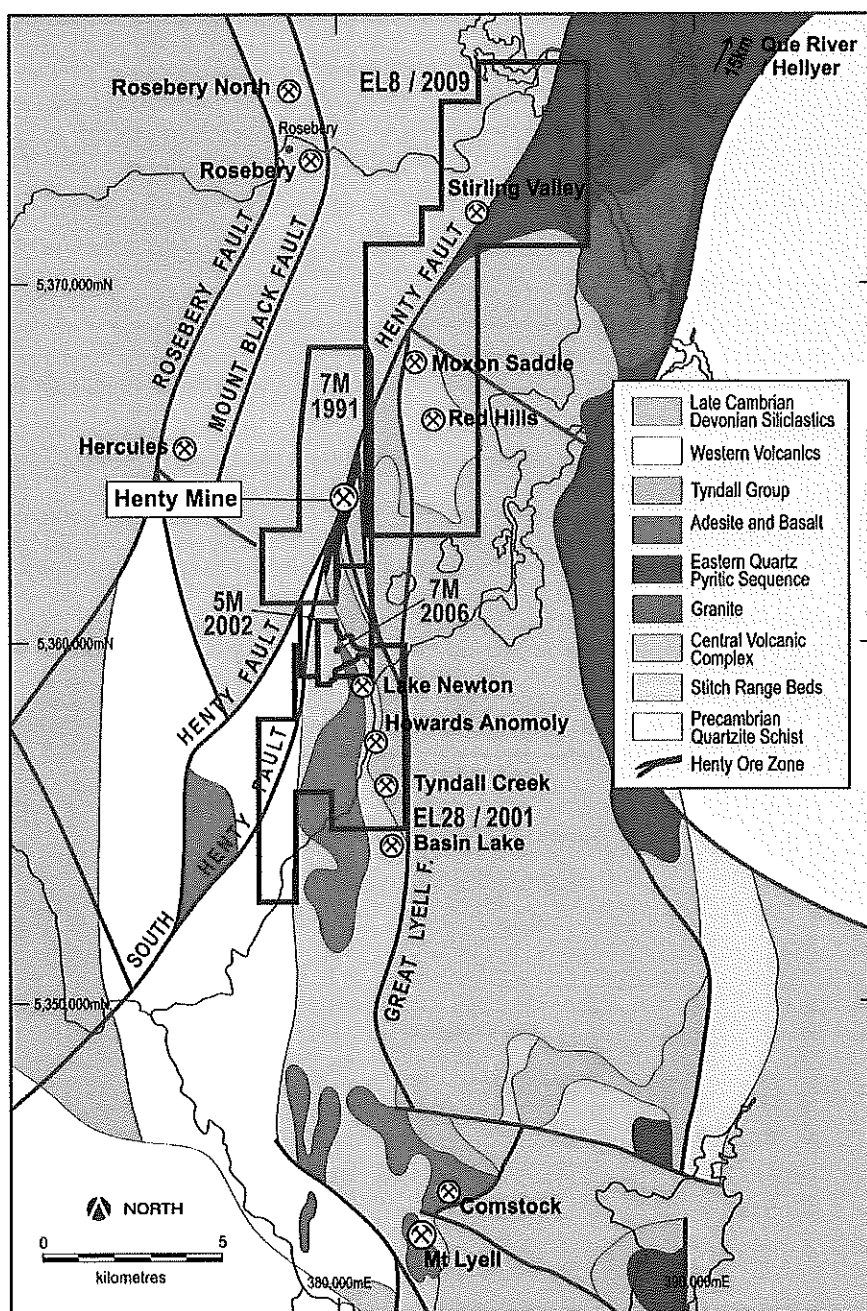


Figure 5: Henty regional tenements showing potential to north and south along the Henty Fault

CATALYST METALS LIMITED

DIRECTORS' REPORT

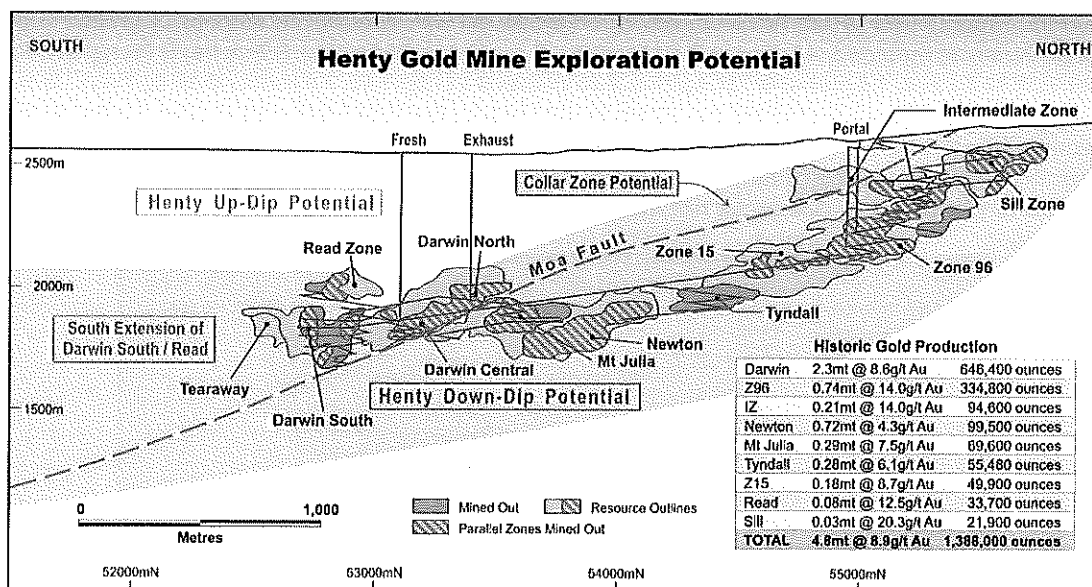


Figure 6: Henty longitudinal projection showing areas of exploration potential to be tested in 2021.

Work Health and Safety

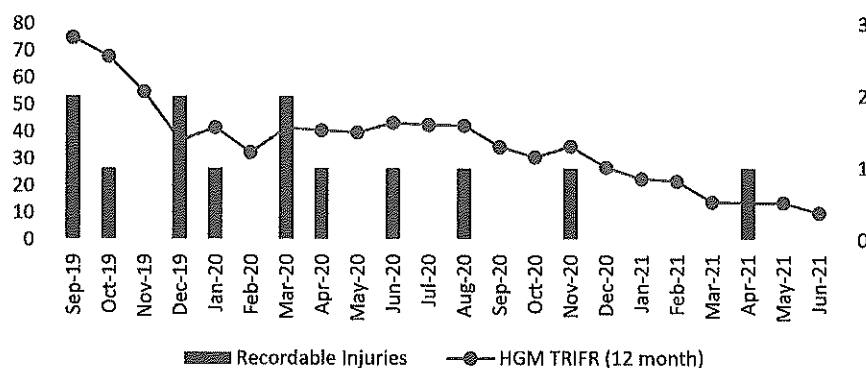
During the year the Company significantly invested in upgrading its Work, Health and Safety Standards to what it believes is industry best practice.

These Standards establish a framework, which provides clear direction on how to enable and achieve good safety governance. They also allow Catalyst to demonstrate Work Health and Safety (WHS) due diligence on a systematic approach to effect the management of WHS throughout the organisation.

The WHS Management System Standards then also form the basis for the ongoing monitoring, measurement and auditing of safety performance and quarterly reporting framework to the Board for both Victoria and Henty Gold Mine.

Victoria recorded zero lost time injuries for the financial year. Henty Gold Mine, with a workforce of circa 150, has seen a continuous improvement in its safety performance during the year. The TRIFR now stands at 10 compared to approximately 27 when the mine was acquired.

Henty Gold Mine - TRIFR Financial Year 2021



CATALYST METALS LIMITED

DIRECTORS' REPORT

Environmental Performance

Throughout the year there were no material environmental impacts. Through ongoing planning and review of management practices the Company continues to assess any potential impacts and ensure these risks are managed. Annually a simulation exercise is undertaken in consultation and involvement with regulatory and other constituency interests to ensure the Company and supporting services are appropriately trained and equipped to manage any event. This is part of a continuous improvement programme of the Company.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the year the Company acquired 100% of the shares in Unity Mining Pty Ltd. Unity Mining Pty Ltd owns and operates the high grade gold mine, Henty Gold Mine in Western Tasmania.

There were no other significant changes in the state of affairs of the Group during the financial year.

FUTURE DEVELOPMENTS

To effect further significant exploration outcomes the Company, as well as its joint venture partners, has funded and budgeted a \$31.5 million commitment for financial year 2021-22, \$22 million of expenditure will be committed within Victoria and \$9.5 million in the Company's own right at Henty Gold Mine. This is the largest commitment Catalyst has ever made towards exploration and confirms its ongoing commitment in the medium term to building a substantial underground gold mining business.

In the opinion of the Directors there is no additional information available as at the date of this report on any likely developments which may materially affect the operations of the Group and the expected results of those operations in subsequent years.

SUBSEQUENT EVENTS

In July 2021 the Company paid \$3,000,000 portion of deferred consideration for the acquisition of the Henty Gold Mine in accordance with the Share Sale Agreement.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has had no significant impact on the Consolidated Entity up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

INFORMATION ON DIRECTORS

Stephen Boston (Non-Executive Chairman)

Mr Boston is the Principal of a Perth based private investment group specialising in the Australian resources sector. Mr Boston previously worked as a stockbroker from 1984 to 1998 in Perth and Sydney. Mr Boston holds a Bachelor of Arts from the University of Western Australia.

<i>Memberships:</i>	Senior Associate – Financial Services Institute of Australia
<i>Special Responsibilities:</i>	Chairman
<i>Other Directorships:</i>	None
<i>Interests in securities:</i>	Direct: 156,984 Ordinary Shares & 19,015 Listed Options Indirect: 5,606,572 Ordinary Shares & 439,462 Listed Options (held by Trapine Pty Ltd, Elshaw Pty Ltd and Merewether Pty Ltd, companies in which Mr Boston holds a relevant interest)

CATALYST METALS LIMITED

DIRECTORS' REPORT

Robin Scrimgeour (Non-Executive Director)

Mr Scrimgeour spent 17 years working for Credit Suisse in London, Tokyo, Hong Kong and Singapore. His most recent experience has been providing structured hybrid financing for corporates in Asia for project and acquisitions concentrated in the primary resources sector. Mr Scrimgeour's previous experience was as a senior equity derivatives trader involved in the pricing of complex structured equity derivative instruments for both private and corporate clients focused in Asia. Mr Scrimgeour holds a Bachelor of Economics with Honours from the University of Western Australia.

Special Responsibilities: Member of audit committee

Other Directorships: None

Interests in securities: Direct: Nil
Indirect: 5,435,017 Ordinary Shares & 531,074 Listed Options

Gary Schwab (Non-Executive Director)

Mr Schwab is a CPA with over 40 years of business experience, including 20 years in the resources sector. Mr Schwab was previously Executive Director for a privately owned commodities group. In that role, Mr Schwab was responsible for managing a long term wealth creation strategy (in conjunction with the principal and owner) which culminated in the creation of what is currently one of Australia's wealthiest unlisted private commodities companies.

Special Responsibilities: Chairman of audit committee

Other Directorships: None

Interests in securities: Direct: Nil
Indirect: Nil

Bruce Kay (Non-Executive Director)

Mr Kay is a qualified geologist and former head of worldwide exploration for Newmont Mining Corporation. He is a highly experienced geologist with a resource industry career spanning more than 30 years in international exploration, mine, geological, project evaluation and corporate operations. Mr Kay retired from Newmont in 2003. Based in Denver, Colorado, USA, he managed worldwide exploration for that Group. Prior to this appointment Mr Kay was group executive and Managing Director of exploration at Normandy Mining Limited where he was responsible for managing its global exploration program from 1989 until 2002.

Special Responsibilities: Technical Director

Other Directorships: None

Interests in securities: Direct: 2,147,169 Ordinary Shares & 205,301 Listed Options
Indirect: Nil

Information on Company Secretary

Frank Campagna B.Bus (Acc), CPA

Company Secretary of Catalyst Metals Limited since November 2009. Mr Campagna is a CPA with over 25 years' experience as a Company Secretary, Financial Controller and Commercial Manager for listed resources and industrial companies. He currently operates a corporate consultancy practice which provides corporate secretarial services to both listed and unlisted companies.

CATALYST METALS LIMITED

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The number of meetings attended by each of the Directors of the Company during the financial year was:

	Board Meetings		Audit Committee Meetings	
	Number held and entitled to attend	Number Attended	Number held and entitled to attend	Number Attended
Stephen Boston	8	8	-	-
Robin Scrimgeour	8	8	-	-
Gary Schwab	8	7	-	-
Bruce Kay	8	8	-	-

ENVIRONMENTAL REGULATIONS

The Group is subject to significant environmental regulation in respect to its mineral exploration activities. These obligations are regulated under relevant government authorities within Australia and overseas. The Group is a party to exploration and mining licences. Generally, these licences and agreements specify the environmental regulations applicable to exploration and mining operations in the respective jurisdictions. The Group aims to ensure that it complies with the identified regulatory requirements in each jurisdiction in which it operates.

Compliance with environmental obligations is monitored by the Board of Directors. No environmental breaches have been notified to the Group by any government agency during the year ended 30 June 2021. The Group's operations are subject to State and Federal laws and regulation concerning the environment.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

SHARE OPTIONS

As at the date of this report, there were 7,881,996 (2020: 8,881,996) unissued ordinary shares under option. There are 7,881,996 options exercisable at \$2.45 each on or before 31 May 2022.

No person entitled to exercise the options has any right by virtue of the option to participate in any share issue of the parent entity or any other corporation.

REMUNERATION REPORT (AUDITED)

This report sets out the current remuneration arrangements for Directors and executives of the Group. For the purposes of this report, key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling major activities of the Group, including any Director of the Group, and includes the executives in the consolidated entity receiving the highest remuneration. The information provided in this report includes remuneration disclosures that are required under Accounting Standard AASB 124 Related Party Disclosures.

CATALYST METALS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

Principles used to determine the nature and amount of remuneration

Directors and executives remuneration

Overall remuneration policies are determined by the Board and are adapted to reflect competitive market and business conditions. Within this framework, the Board considers remuneration policies and practices generally, and determines specific remuneration packages and other terms of employment for any executive Directors and senior management. Executive remuneration and other terms of employment are reviewed annually by the Board having regard to performance, relevant comparative information and expert advice.

The Group's remuneration policy for any Executive Directors and senior management is designed to promote superior performance and long term commitment to the Group. Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the Group's operations.

Executive Directors and senior executives receive a base remuneration which is market related, together with performance based remuneration linked to the achievement of pre-determined milestones and targets.

The Group's remuneration policies are designed to align executives' remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Group. The main principles of the policy are:

- reward reflects the competitive market in which the Group operates; and
- individual reward should be linked to performance criteria.

The structure of remuneration packages for any Executive Directors and other senior executives comprises:

- a fixed sum base salary plus superannuation benefits;
- short term incentives through eligibility to participate in a performance bonus scheme if deemed appropriate; and
- long term incentives through any Executive Directors being eligible to participate in share option schemes with the prior approval of shareholders.

Fixed and variable remuneration is established for each Executive Director by the Board. The objective of short term incentives is to link achievement of the Group's operational targets with the remuneration received by executives charged with meeting those targets. The objective of long term incentives is to reward executives in a manner which aligns this element of their remuneration with the creation of shareholder wealth. Performance incentives may be offered to any Executive Directors and senior management through the operation of performance bonus schemes. A performance bonus, based on a percentage of annual salary, may be payable upon achievement of agreed operational milestones and targets.

Non-Executive Directors' remuneration

In accordance with current corporate governance practices, the structure for the remuneration of Non-Executive Directors and senior executives is separate and distinct. Shareholders approve the maximum fees payable to Non-Executive Directors, with the current approved limit being \$400,000 per annum. The Board is responsible for determining actual payments to Directors. Non-Executive Directors are entitled to statutory superannuation benefits. The Board approves any consultancy arrangements for Non-Executive Directors who provide services outside of and in addition to their duties as Non-Executive Directors.

Non-Executive Directors may be entitled to participate in equity based remuneration schemes. Shareholders must approve the framework for any equity based compensation schemes and if a recommendation is made for a Director to participate in an equity scheme, that participation must be specifically approved by the shareholders.

All Directors are entitled to have premiums on indemnity insurance paid by the Group.

CATALYST METALS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

At the 2020 AGM, the majority of the votes received supported the adoption of the remuneration report for the year ended 30 June 2020. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of Remuneration for Year Ended 30 June 2021

Details of the remuneration for each Director and key management personnel (as defined in AASB 124 *Related Party Disclosures*) of the Group during the year are set out in the following tables.

2021	Short-term employment benefits		Post-employment benefits	Share-based payments	
Name	Cash salary and fees	Other	Superannuation	Shares	Total
<i>Non-Executive Directors</i>					
S Boston	216,800	-	20,677	-	237,477
R Scrimgeour	81,030	-	-	-	81,030
G Schwab	121,638	-	11,586	-	133,224
B Kay	212,677	-	24,999	-	237,676
<i>Management</i>					
B Robertson - CEO	243,441	-	23,252	-	266,693
D Alford - GM Henty	125,000	-	11,875	-	136,875
Total key management personnel compensation	1,000,586	-	92,389	-	1,092,975

No performance based remuneration was paid to the Directors or Management during the year.

In 2021, Mr Kay received \$74,000 per annum in Directors' fees and was paid extra fees for managing the Company's exploration programmes at the Four Eagles Gold Project, Tandarra Gold Project, Macoma Gold Project, Boort Gold Project, Drummartin Gold Project and Golden Camel Gold Project. The costs incurred in respect of the joint ventures were partially reimbursed by the joint venture partners as part of its earn in expenditure commitments. Furthermore in 2021, Mr Boston received \$80,000 per annum in Directors' fees and was paid extra consulting fees for managing the Company and Mr Schwab received \$74,000 per annum in Directors' fees and was paid extra consulting fees for services provided to the Company outside his duties as a director.

Mr Robertson commenced as the CEO of the Company on 4 January 2021, prior to that he was employed by the Company as a consultant to provide advice on the acquisition of the Henty mine. On 23 August 2021, Mr Robertson tendered his resignation as CEO and provided 3 months' notice. Mr Alford is the General Manager Operations of the Henty Mine and commenced employment with Henty Gold Pty Ltd on 1 February 2021.

2020	Short-term employment benefits		Post-employment benefits	Share-based payments	
Name	Cash salary and fees	Other	Superannuation	Shares	Total
<i>Non-Executive Directors</i>					
S Boston	179,600	-	17,062	-	196,662
R Scrimgeour	81,030	-	-	-	81,030
G Schwab	93,200	-	8,854	-	102,054
B Kay	181,968	-	17,287	-	199,255
Total key management personnel compensation	535,798	-	43,203	-	579,001

CATALYST METALS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

In 2020, Mr Kay received \$74,000 per annum in Directors' fees and was paid extra fees for managing the Company's exploration programmes at the Four Eagles Gold Project, Tandarra Gold Project, Macorna Gold Project, Boort Gold Project, Drummartin Gold Project and Golden Camel Gold Project. The costs incurred in respect of the joint ventures were partially reimbursed by the joint venture partners as part of its earn in expenditure commitments. Furthermore in 2020, Mr Boston received \$80,000 per annum in Directors' fees and was paid extra consulting fees for managing the Company and Mr Schwab received \$74,000 per annum in Directors' fees and was paid extra consulting fees for services provided to the Company outside his duties as a director.

Letters of appointment have been entered into with each Director of the Company. No duration of appointment or termination benefits are applicable. Effective from 1 July 2019, Non-executive Directors receive remuneration of \$74,000 per annum plus statutory superannuation, whilst the Chairman receives remuneration of \$80,000 per annum plus statutory superannuation. Directors are permitted to salary sacrifice their fees.

Mr Bruce Robertson was employed as Chief Executive Officer of Catalyst on 4 January 2021. The key terms of Mr Robertson's employment is a base salary of \$300,000 per annum with statutory superannuation. Mr Robertson and the Company are required to provide three months notice for termination, unless the termination is for cause and then no notice period is required. Mr Robertson is entitled to a six month redundancy in there is a material change in his role or responsibilities. Mr Robertson is also entitled to receive the following options, which to date have not yet been granted:

- 250,000 exercisable at higher of \$3 or 15% premium to the 10 day VWAP for the period 4 – 15 January 2021, expiring in 4 years and vesting 6 months after the commencement date
- 250,000 exercisable at \$0.50 above the initial exercise price, expiring in 4.5 years and vesting 12 months after the commencement date
- 250,000 exercisable at \$1.00 above the initial exercise price, expiring in 5 years and vesting 18 months after the commencement date
- 250,000 exercisable at \$1.50 above the initial exercise price, expiring in 5.5 years and vesting 24 months after the commencement date

Should Mr Robertson cease employment with the Company then will only be entitled to retain options that have vested during the period of employment.

Mr Dion Alford was employed as General Manager of the Henty Gold Mine on 1 February 2021. The key terms of Mr Alford's employment is a base salary of \$310,000 per annum with statutory superannuation. Mr Alford receives company housing and a motor vehicle. Mr Alford and the Company are required to provide three months notice for termination, unless the termination is for cause and then no notice period is required. In the event of redundancy then Mr Alford is entitled to redundancy pay in accordance with the National Employment Standards.

SHARE-BASED COMPENSATION

Shares

No shares were issued as compensation during the financial year (2020: Nil).

Options

Options over shares in the Company are granted under the Catalyst Metals Limited Employee Incentive Plan ("Incentive Plan"). The purpose of the Incentive Plan is to provide employees, Directors, executive officers and consultants with an opportunity, in the form of options or other incentives, to subscribe for ordinary shares in the Group. The Directors consider the Incentive Plan enables the Group to retain and attract skilled and experienced employees, board members and executive officers and provide them with the motivation to contribute to the growth and future success of the Group.

During the financial year no options were issued as compensation (2020: Nil).

CATALYST METALS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

Performance Rights

Performance Rights over shares in the Company are granted under the Catalyst Metals Limited Performance Rights Plan ("Performance Rights Plan"). The objective of the Performance Rights Plan is to attract, motivate and retain employees, Directors and consultants ("Eligible Participants") of the Company by providing performance related incentives and rewards. Subject to certain criteria being satisfied, the Board may offer Eligible Participants performance rights which upon vesting will entitle the holder to one ordinary fully paid share in the Company for each performance right held.

During the financial year no performance rights were issued as compensation (2020: Nil).

SHARE AND OPTION HOLDINGS

Option holdings

The number of options over ordinary shares in the Company held during the year by each Director of the Company and other key management personnel, including their personally related parties, are set out below:

2021 – Options Holdings

Name	Balance at beginning of year	Granted as compensation	Exercised	Other changes	Balance at end of year	Vested and exercisable
S Boston	458,477	-	-	-	458,477	458,477
R Scrimgeour	531,074	-	-	-	531,074	531,074
G Schwab	-	-	-	-	-	-
B Kay	205,301	-	-	-	205,301	205,301
B Robertson	-	-	-	31,145	31,145	31,145
D Alford	-	-	-	-	-	-

Ordinary Shares

The number of ordinary shares in the Group held during the financial year by each Director and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the year as compensation.

2021 – Ordinary Share Holdings

Directors	Balance at beginning of year	Purchased	Other Changes	Balance at end of year
S Boston	5,724,172	39,384	-	5,763,556
R Scrimgeour	5,310,732	40,285	-	5,351,017
G Schwab	-	-	-	-
B Kay	2,147,169	14,286	(14,286)	2,147,169
B Robertson	-	-	397,160	397,160
D Alford	-	-	-	-

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

Mr Boston is also a Director of Raisemetrex Pty Ltd which was paid \$60,000 (2020: \$74,734) by the Company to provide an online platform for the administration of capital raisings and electronic communications with shareholders.

CATALYST METALS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

CONSEQUENCES OF PERFORMANCE ON SHAREHOLDER WEALTH

In considering the Group performance and benefits for shareholder wealth, the factors that are considered to affect total shareholder return are summarised below:

	2021	2020	2019	2018	2017
Net profit (loss) for the period	(102,441)	(1,746,832)	(1,686,017)	(4,241,647)	(1,124,909)
Share price at financial year end (\$)	1.95	2.75	1.96	1.50	0.50
Basic profit (loss) per share (cents per share)	(0.1)	(2.2)	(2.3)	(6.5)	(2.0)

END OF REMUNERATION REPORT

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Group has entered into indemnity agreements with each of the Directors and officers of the Group. Under the agreements, the Group will indemnify those officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities as officers of the Group or any related entities.

INDEMNIFICATION AND INSURANCE OF AUDITOR

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the Group or any related party.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

AUDITOR

RSM Australia Partners continues in office in accordance with section 327 of the *Corporations Act 2001*.

NON-AUDIT SERVICES

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that any non-audit services did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: *Code of Ethics for Professional Accountants* set by the Accounting Professional and Ethical Standards Board.

No fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2021.

CATALYST METALS LIMITED

DIRECTORS' REPORT

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF RSM AUSTRALIA PARTNERS

There are no officers of the company who are former partners of RSM Australia Partners.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and immediately follows the Directors' Report.

This report is made in accordance with a resolution of the Directors, pursuant to section 298(2)(a) of the Corporations Act 2021.

Stephen Boston
Chairman



Perth, Western Australia
30 September 2021



RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Catalyst Metals Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) Any applicable code of professional conduct in relation to the audit.

David Wall
Partner
RSM Australia Partners

Perth, Western Australia
30 September 2021

THE POWER OF BEING UNDERSTOOD
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RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

CATALYST METALS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 30 June 2021

	Note	2021 \$	2020 \$
Current Assets			
Cash and cash equivalents	9	33,518,541	18,335,520
Trade and other receivables	10	2,816,154	262,964
Inventory	11	3,898,595	-
Total Current Assets		40,233,290	18,598,484
Non-Current Assets			
Receivables	10	10,000	10,000
Property, plant and equipment	12	5,814,969	96,867
Exploration and evaluation expenditure	13	30,001,347	5,547,838
Mining development assets	14	6,505,722	-
Total Non-Current Assets		42,332,038	5,654,705
TOTAL ASSETS		82,565,328	24,253,189
Current Liabilities			
Trade and other payables	15	11,640,073	1,036,436
Other - advances	16	215,526	531,634
Lease liabilities	17	224,794	-
Interest bearing liabilities	18	802,595	-
Provisions	19	604,350	-
Deferred consideration payable	26	6,000,000	-
Contingent consideration payable	26	5,000,000	-
Total Current Liabilities		24,487,338	1,568,070
Non-Current Liabilities			
Lease liabilities	17	220,062	-
Deferred consideration payable	26	800,000	-
Provisions	19	2,912,677	-
Total Non-Current Liabilities		3,932,739	-
TOTAL LIABILITIES		28,420,077	1,568,070
NET ASSETS		54,145,251	22,685,119
Equity			
Contributed equity	20	72,912,682	41,350,109
Share-based payments reserve	21(a)	372,972	372,972
Accumulated losses	21(b)	(19,140,403)	(19,037,962)
TOTAL EQUITY		54,145,251	22,685,119

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CATALYST METALS LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue from continuing operations	4	28,508,849	-
Other revenue	5	781,077	940,167
Interest revenue		88,535	97,833
Expenses			
Mining and processing costs		(13,738,002)	-
Depreciation and amortisation relating to gold sales		(1,663,872)	-
Royalties		(2,176,654)	-
Administration, corporate, occupancy and travel costs		(2,125,466)	(806,780)
Personnel		(4,808,586)	(612,153)
Depreciation		(744,327)	(20,097)
Exploration and evaluation expenditure		(4,223,995)	(1,345,802)
Loss before income tax expense from continuing operations	6	(102,441)	(1,746,832)
Income tax benefit	8	-	-
Loss after income tax from continuing operations		(102,441)	(1,746,832)
Other comprehensive income		-	-
Total comprehensive loss for the year		(102,441)	(1,746,832)
Total comprehensive loss attributable to members of the Parent entity		(102,441)	(1,746,832)
Earnings per share for loss attributable to the owners of Catalyst Metals Limited			
Basic loss per share (cents per share)	7	(0.1)	(2.2)
Diluted loss per share (cents per share)	7	(0.1)	(2.2)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CATALYST METALS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the Year Ended 30 June 2021

	Contributed Equity	Accumulated losses	Share-based payments reserve	Total
	\$	\$	\$	\$
Balance at 30 June 2019	33,301,230	(17,291,130)	372,972	16,383,072
Total comprehensive loss for the year	-	(1,746,832)	-	(1,746,832)
Transactions with owners in their capacity as owners:				
Issue of shares	7,892,645	-	-	7,892,645
Issue of options	157,785	-	-	157,785
Share issue expenses	(1,551)	-	-	(1,551)
Balance at 30 June 2020	41,350,109	(19,037,962)	372,972	22,685,119
Total comprehensive loss for the year	-	(102,441)	-	(102,441)
Transactions with owners in their capacity as owners:				
Issue of shares	32,281,780	-	-	32,281,780
Issue of options	-	-	-	-
Share issue expenses	(719,207)	-	-	(719,207)
Balance at 30 June 2021	72,912,682	(19,140,403)	372,972	54,145,251

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CATALYST METALS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Cash Flows from Operating Activities			
Receipts from suppliers		29,825,353	-
Payments for exploration and evaluation		(4,223,995)	(1,345,802)
Payments to suppliers, contractors and employees		(16,917,625)	(1,949,357)
Research and development tax offsets received		438,919	225,620
Other income		342,158	714,547
Interest received		88,535	97,833
Net cash flows provided/(used) in operating activities	22	<u>9,553,345</u>	<u>(2,257,159)</u>
Cash Flows from Investing Activities			
Payment for purchase of business net of cash acquired		(5,444,682)	-
Payments for property, plant and equipment		(3,429,024)	(109,022)
Payment for mine development assets		(4,461,057)	-
Payments for exploration and evaluation		(5,884,621)	(3,591,357)
Net cash flows used in investing activities		<u>(19,219,384)</u>	<u>(3,700,379)</u>
Cash Flows from Financing Activities			
Proceeds from issue of shares and other equity securities		25,081,781	8,050,430
Share issue expenses		(719,208)	(1,551)
Proceeds from borrowings		802,595	-
Joint venture exploration advances received	13	5,614,506	3,820,441
Joint venture exploration advances expended	13	(5,930,614)	(3,473,715)
Net cash flows provided from financing activities		<u>24,849,060</u>	<u>8,395,605</u>
Net increase in cash and cash equivalents		15,183,021	2,438,067
Cash and cash equivalents at the beginning of the financial year		<u>18,335,520</u>	<u>15,897,453</u>
Cash and cash equivalents at the end of the financial year	9	<u>33,518,541</u>	<u>18,335,520</u>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(b) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

(c) Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

(d) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 32.

(e) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Catalyst Metals Limited ('company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Catalyst Metal Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Intercompany transactions, balances and transactions between entities in the consolidated entity are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

(g) Revenue

Revenue from contracts with customers is recognised based on the transfer of promised goods or services to customers with an amount that reflects the consideration to which the Group expects to be entitled to in exchange for those goods or services.

Sale of gold and other metals

Sale of gold and other metals is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(h) Impairment

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(i) Cash and cash equivalents

For the purpose of the cash flow statement, cash includes cash on hand and at call deposits with banks or financial institutions and investments in money market instruments with less than 30 days to maturity.

(j) Trade and other receivables

Trade receivables, loans, and other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(k) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 30 June 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial Instruments

Recognition and Initial Measurement

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and are solely principal and interest. All other financial instrument assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income.

Financial assets may be impaired based on an expected credit loss model to recognise an allowance. Such impairment is measured with a 12-month expected credit loss model unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime expected credit loss model is adopted

For financial liabilities, the portion of the change in fair value that relates to the Group's credit risk is presented in other comprehensive income.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(m) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure. Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

Exploration expenditure for each area of interest is written off as incurred, except that it may be carried forward provided that such costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale. The Group performs impairment testing when facts and circumstances suggest the carrying amount has been impaired. If it was determined that the asset was impaired it would be immediately written off to the income statement.

Expenditure is not carried forward in respect of any area of interest unless the Group's right of tenure to that area of interest is current. Expenditures incurred before the Group has obtained legal rights to explore a specific area is expensed as incurred. Amortisation is not charged on areas under development, pending commencement of production.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(o) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee entitlements

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee entitlements (continued)

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(q) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Catalyst Metals Ltd and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 30 June 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Income tax (continued)

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

(r) Earnings per share

Basic earnings per share is determined by dividing the profit from ordinary activities after related income tax expense by the weighted average number of ordinary shares outstanding during the financial year.

(s) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financial activities, which are recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(t) Property, Plant and Equipment

Property, plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of property, plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the consolidated entity commencing from the time the asset is held ready for use.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Property, Plant and Equipment (continued)

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Land and buildings	0 – 8%
Plant and equipment	11 – 33.33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

(u) Issued Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(v) Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from joint venture entities reduce the carrying amount of the investment.

(w) Business Combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Business Combinations (continued)

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

(x) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2021. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(y) Foreign currency translation

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

(z) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(aa) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(ab) Inventories

Inventories are stated at the lower of cost and net realisable value on a 'weighted average' basis. Cost comprises direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable

Cost is determined on the following basis:

- (a) Gold and other metals on hand is valued on an average total production cost method
- (b) Ore stockpiles are valued at the average cost of mining and stockpiling the ore, including haulage
- (c) A proportion of related depreciation and amortisation charge is included in the cost of inventory

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ac) Mining assets

Capitalised mining development costs include expenditures incurred to develop new ore bodies to define further mineralisation in existing ore bodies, to expand the capacity of a mine and to maintain production. Mining development also includes costs transferred from exploration and evaluation phase once production commences in the area of interest.

Amortisation of mining development is computed by the units of production basis over the estimated proved and probable reserves. Proved and probable mineral reserves reflect estimated quantities of economically recoverable reserves which can be recovered in the future from known mineral deposits. These reserves are amortised from the date on which production commences. The amortisation is calculated from recoverable proven and probable reserves and a predetermined percentage of the recoverable measured, indicated and inferred resource. This percentage is reviewed annually.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Exploration and evaluation costs

The Group's accounting policy for exploration and evaluation is set out in note 1(i). The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances, in particular the assessment of whether economic quantities of reserves may be found. Any such estimates and assumptions may change as new information becomes available.

Unit-of-production method of depreciation/amortisation

The Group uses the unit-of-production basis when depreciating/amortising life of mine specific assets which results in a depreciation/amortisation charge proportionate to the depletion of the anticipated remaining life of mine production. Each asset's economic life, which is assessed annually, has due regard for both its physical life limitations and to present assessments of economically recoverable mine plan of the mine property at which it is located. These calculations require the use of estimates and assumptions.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Rehabilitation provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

3. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into two operating segments, being mining and exploration operations. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services

The principal products and services of these operating segments are the mining and exploration operations in Australia.

Major customers

During the year ended 30 June 2021 approximately \$26.3 million (2020: nil) of the consolidated entity's external revenue was derived from sales to a major Australian gold exporter.

Geographical information

The consolidated entity is one geographical segment, Australia.

Operating segment information by activity

	Sales to external customers		Non-current assets	
	2021	2020	2021	2020
	\$	\$	\$	\$
Exploration	-	-	11,543,968	5,644,705
Mining Operations	28,508,849	-	30,778,070	-
	<u>28,508,849</u>	<u>-</u>	<u>42,322,038</u>	<u>5,644,705</u>
			2021	2020
			\$	\$

4. Revenue

From Continuing Operations

Sale of gold and other metals	28,508,849	-
	<u>28,508,849</u>	<u>-</u>

Revenue is recorded once goods are transferred at a point in time.

5. Other income

Research and development tax offset recovery	438,919	225,660
Government grants	67,500	337,200
Administration recovery fees	268,069	377,307
Other	6,589	-
	<u>781,077</u>	<u>940,167</u>

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

	2021 \$	2020 \$
6. Expenses		
<i>Loss before income tax includes the following specific expenses:</i>		
Depreciation	744,327	20,097
Directors' fees	478,603	330,690
Exploration and evaluation expenditure (refer note 1 (l))	4,223,995	1,345,802
7. Earnings per Share		
	2021 No. of Shares	2020 No. of Shares
Weighted average number of ordinary shares for basic and diluted earnings per share	89,771,426	80,961,276
	2021 \$	2020 \$
8. Income tax		
Loss before tax	(102,441)	(1,746,832)
Prima facie tax on operating loss before income tax at 26% (2020: 27.5%)	26,635	480,379
Tax effect of:		
- non deductible items	172,416	(124,415)
Deferred tax asset not brought to account at the reporting date as realisation of the benefit is not probable	(199,051)	(355,964)
Income tax attributable to operating loss	-	-

Unrecognised deferred tax

The Group has \$21,403,064 (2020: \$17,626,456) tax losses arising in Australia that are available indefinitely for offset against future profit of the companies in which the losses arose.

The potential deferred tax asset of \$5,564,797 (2020: \$4,847,276), arising from tax losses and temporary differences (as disclosed above), has not been recognised as an asset because recovery of tax losses and temporary differences is not considered probable.

The potential deferred tax asset will only be obtained if:

- the relevant Group derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised;
- the relevant Group continues to comply with the conditions for deductibility imposed by tax legislation; and
- no changes in tax legislation adversely affect the relevant Group in realising the benefit from the deduction for the losses.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

	2021 \$	2020 \$
9. Cash and cash equivalents		
Cash at bank	30,408,541	18,225,520
Cash on deposit	3,110,000	110,000
	<u>33,518,541</u>	<u>18,335,520</u>

The cash at bank includes \$510,301 (2020: \$1,238,656) held in trust by Catalyst's subsidiaries, Kite Gold Pty Ltd (advanced by Gold Exploration Victoria Pty Ltd as funds provided in advance for exploration expenditure on the Four Eagles Gold Project joint venture and Boort Project joint venture) and Tandarra Management Pty Ltd (advanced by Navarre Minerals Limited as funds provided in advance for exploration expenditure on the Tandarra Gold Project joint venture).

	2021 \$	2020 \$
10. Trade and other receivables		
Current		
Trade debtors	344,257	-
GST receivable	187,846	154,377
Prepayments	1,481,653	-
Other	802,398	108,587
	<u>2,816,154</u>	<u>262,964</u>
Non-current		
Environmental Rehabilitation Bond	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

Fair value and credit risk

Due to the short term nature of the receivables, their carrying value is assumed to approximate their fair value.

	2021 \$	2020 \$
11. Inventories		
Gold stocks	1,532,162	-
Stock on hand – parts and consumables	2,366,433	-
	<u>3,898,595</u>	<u>-</u>

	2021 \$	2020 \$
12. Property, plant and equipment		
Land and buildings – at cost	278,954	-
Less: accumulated depreciation	(15,362)	-
	<u>263,592</u>	<u>-</u>
Plant and equipment – at cost	5,956,591	152,192
Less: accumulated depreciation	(405,214)	(55,325)
	<u>5,551,377</u>	<u>96,867</u>
	<u>5,814,969</u>	<u>96,867</u>

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

12. Property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below

	Land and Buildings \$	Plant and equipment \$	Total \$
Balance at 1 July 2019	-	7,942	7,942
Additions	-	109,022	109,022
Depreciation expense	-	(20,097)	(20,097)
Balance at 30 June 2020	-	96,867	96,867
Additions	-	3,429,024	3,429,024
Additions through business combination	278,954	2,375,375	2,654,329
Depreciation expense	(15,362)	(349,889)	(365,251)
Balance at 30 June 2021	263,592	5,551,377	5,814,969

	2021 \$	2020 \$
13. Exploration and evaluation expenditure		
Opening balance	5,547,838	1,956,481
Additions	5,884,623	3,591,357
Additions through business combination	17,810,851	-
Closing balance	29,243,312	5,547,838
 Mining rights		
Opening balance	-	-
Additions through business combination	1,137,111	-
Depreciation expense	(379,076)	-
Closing balance	758,035	-
	30,001,347	5,547,838

The ultimate recoupment of balances carried forward in relation to areas of interest still in the exploration or evaluation phase is dependent on successful development, and commercial exploitation, or alternatively sale of the respective areas. The Group conducts impairment testing when indicators of impairment are present at the reporting date.

	2021 \$	2020 \$
14. Mining Development Assets		
Capitalised mine development	6,505,722	-
	6,505,722	-
 Opening Balance	-	-
Additions	4,461,057	-
Additions through business combination	3,708,537	-
Amortisation Expenses	(1,663,872)	-
	6,505,722	-

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

	2021 \$	2020 \$
15. Trade and other payables		
Current Payables		
Trade creditors	5,312,075	588,966
Accruals	6,327,998	447,470
	<u>11,640,073</u>	<u>1,036,436</u>

Included in the current payables is an aggregate amount of \$1,203,467 (2020: \$257,511) incurred in relation to the Four Eagles Gold Project and Tandarra Gold Project which is payable by Gold Exploration Victoria Pty Ltd and Navarre Mineral Limited.

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value. Trade and other payables are non-interest bearing and normally settled on 30-day terms.

	2021 \$	2020 \$
16. Advances		
Opening Balance of Advance from Joint Venture Partners	531,634	184,908
Advances received from Joint Venture Partners	5,614,506	3,820,441
Exploration expenditure	<u>(5,930,614)</u>	<u>(3,473,715)</u>
Closing Balance of Advance/(Receivable) from Joint Venture Partners	<u>215,526</u>	<u>531,634</u>
	215,526	531,634

The (receivable)/advance from Joint Venture Partners relates to monies (receivable)/advanced (from)/to Kite Gold Pty Ltd, Tandarra Management Pty Ltd, Kite Operations Pty Ltd and Silkfield Holdings Pty Ltd for their contribution to exploration expenditure on the Four Eagles, Tandarra, Boort and Drummartin Gold Projects.

	2021 \$	2020 \$
17. Lease liabilities		
Current	224,794	-
Non - current	<u>220,062</u>	<u>-</u>
	444,856	-

	2021 \$	2020 \$
18. Interest bearing liabilities		
Opening balance	-	-
Additions	<u>802,595</u>	<u>-</u>
Closing balances	802,595	-

Interest bearing liabilities relate to insurance premium funding which is repayable by October 2021. An interest rate of 2.7% applies.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

		2021 \$	2020 \$
19.	Provisions		
	Current	604,350	-
	Non - current	2,912,677	-
		<u>3,517,027</u>	<u>-</u>
	Provision for employee benefits	604,350	-
	Provision for rehabilitation	2,912,677	-
		<u>3,517,027</u>	<u>-</u>

Rehabilitation

The provision represents the present value of estimated costs for future rehabilitation of land explored or mined by the consolidated entity at the end of the exploration or mining activity.

	Note	2021 Number	2021 \$	2020 Number	2020 \$
20.	Contributed Equity				
	(a) Share capital				
	Ordinary shares				
	Fully paid	20(c)	<u>98,295,723</u>	<u>82,399,646</u>	<u>41,192,324</u>
	(b) Other equity securities				
	Options – Listed	20(d)	7,881,996	7,882,048	157,785
	Options – Unlisted	25	-	1,000,000	-
	Total contributed equity		<u>72,912,682</u>	<u>41,350,109</u>	

(c) Movements in Ordinary Shares

Details	Number of Shares	Issue Price	\$
Balance at 30 June 2019	<u>78,892,444</u>		<u>33,301,230</u>
Issue of shares – Exercise of listed options	7,202	\$2.45	17,645
Issue of shares – Exercise of unlisted options			
Issue of shares – Share Placement	3,500,000	\$2.25	7,875,000
Capital raising expenses	-	-	(1,551)
Balance at 30 June 2020	<u>82,399,646</u>		<u>41,192,324</u>
Issue of shares – Exercise of listed options	52	\$2.45	127
Issue of shares – Exercise of unlisted options	1,000,000	\$1.00	1,000,000
Issue of shares – Share Placement	14,896,025	\$2.10	31,281,653
Capital raising expenses	-	-	(719,207)
Balance at 30 June 2021	<u>98,295,723</u>		<u>72,754,897</u>

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

20. Contributed Equity (continued)

(d) *Movements in Options - Listed*

Details	Number of Options	Issue Price	\$
Balance at 30 June 2019	-		-
Issue of options – Entitlement offer	7,889,250	\$0.02	157,785
Exercise of options	(7,202)	-	-
Balance at 30 June 2020	7,882,048		157,785
Issue of options – Entitlement offer	-	-	-
Exercise of options	(52)	-	-
Balance at 30 June 2021	7,881,996		157,785

(e) *Ordinary shares*

On a show of hands, every member present in person or by proxy shall have one vote and, upon a poll, each share shall have one vote.

(f) *Capital risk management*

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

In order to maintain or adjust the capital structure, the entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

The entity does not have a defined share buy-back plan.

There is no current intention to incur debt funding on behalf of the Group as on-going exploration expenditure will be funded via cash reserves, equity or joint ventures with other companies. The Group is not subject to any externally imposed capital requirements.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

20. Contributed Equity (continued)

(g) Details of subsidiaries

Details of the Group's subsidiaries at 30 June 2021 are:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held	
			2021	2020
Silkfield Holdings Pty Ltd	Mineral Exploration	Australia	100%	100%
Kite Gold Pty Ltd	Mineral Exploration	Australia	100%	100%
Kite Operations Pty Ltd	Mineral Exploration	Australia	100%	100%
Tandarra Management Pty Ltd	Mineral Exploration	Australia	100%	100%
Nomad Metals Pty Ltd	Mineral Exploration	Australia	100%	100%
Unity Mining Pty Ltd	Mineral Exploration	Australia	100%	-
Henty Gold Pty Ltd	Gold Ore Production	Australia	100%	-
Four Eagles JV Property Pty Ltd	Property	Australia	50%	

21. Reserves & Accumulated Losses

(a) Reserves

	2021 \$	2020 \$
Share-based payments reserve		
Balance at the beginning of the year	372,972	372,972
Movements during the year	-	-
Balance at the end of the year	372,972	372,972

The share-based payments reserve records the value of share options issued by the Group.

(b) Accumulated losses

Balance at the beginning of the year	(19,037,962)	(17,291,130)
Loss for the year	(102,441)	(1,746,832)
Balance at the end of the year	(19,140,403)	(19,037,962)

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

22. Notes to the Cash Flow Statement

**(a) Reconciliation of net cash used in operating activities
to operating loss after income tax**

	2021 \$	2020 \$
Operating loss after tax	(102,441)	(1,746,832)
Add non-cash items:		
Depreciation	744,327	20,097
Depreciation and amortisation relating to gold sales	1,663,872	
Changes in net assets and liabilities		
(Increase)/decrease in receivables	1,316,506	(140,292)
(Increase)/decrease in inventory	(433,310)	-
(Decrease)/increase in other assets	(2,128,689)	(390,132)
(Decrease)/increase in payables	8,493,080	-
Net cash provided/(used) in operating activities	9,553,345	(2,257,159)

(b) Non-cash financing and investing activities

The Group did not have any non-cash financing or investing activities during the year (2020: Nil).

23. Key Management Personnel Compensation

(a) Directors and Specified Executives

The names and positions held by key management personnel in office at any time during the year are:

Directors

S Boston	Non-Executive Chairman (appointed 1 September 2009)
R Scrimgeour	Non-Executive Director (appointed 1 September 2009)
G Schwab	Non-Executive Director (appointed 8 December 2009)
B Kay	Non-Executive Director (appointed 9 February 2011)

Management

B Robertson	Chief Executive Officer (appointed 2 January 2021)
D Alford	General Manager Operations (appointed 1 February 2021)

All of the above directors were also key management persons during the year ended 30 June 2020.

(b) Key management personnel remunerations

	2021 \$	2020 \$
Short-term employee benefits	1,000,586	535,798
Post-employment benefits	92,390	43,203
	1,092,976	579,001

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 30 June 2021

Detailed remuneration disclosures are provided in the Remuneration Report section of the Director's Report.

23. Key Management Personnel Compensation (continued)

(c) Equity instrument disclosures relating to key management personnel

- (i) *Options provided as remuneration and shares issued on exercise of such options*
Details of options provided as remuneration and share issued on the exercise of such options, together with terms and conditions of the options, can be found in the Remuneration Report section of the Directors' Report.
- (ii) *Option holdings*
The number of options over ordinary shares in the Company held during the year by each Director of the Company and other key management personnel, including their personally related parties, are set out below:

2021

Directors	Balance at beginning of year	Granted as compensation	Exercised	Other changes	Balance at end of year	Vested and exercisable
S Boston	458,477	-	-	-	458,477	458,477
R Scrimgeour	531,074	-	-	-	531,074	531,074
G Schwab	-	-	-	-	-	-
B Kay	205,301	-	-	-	205,301	205,301
B Robertson	-	-	-	31,145	31,145	31,145
D Alford	-	-	-	-	-	-

2020

Directors	Balance at beginning of year	Granted as compensation	Exercised	Other changes	Balance at end of year	Vested and exercisable
S Boston	-	-	-	458,477	458,477	458,477
R Scrimgeour	-	-	-	531,074	531,074	531,074
G Schwab	-	-	-	-	-	-
B Kay	-	-	-	205,301	205,301	205,301

- (iii) *Shareholdings*
Ordinary Shares
The number of ordinary shares in the Group held during the financial year by each Director and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the year as compensation.

2021

Directors	Balance at beginning of year	Purchased	Other changes	Balance at end of year
S Boston	5,724,172	39,384	-	5,763,556
R Scrimgeour	5,310,732	40,285	-	5,351,017
G Schwab	-	-	-	-
B Kay	2,147,169	14,286	(14,286)	2,147,169
B Robertson	-	-	397,160	397,160
D Alford	-	-	-	-

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

23. Key Management Personnel Compensation (continued)

(c) Equity instrument disclosures relating to key management personnel (continued)

2020

Directors	Balance at beginning of year	Purchased	Other changes	Balance at end of year
S Boston	5,835,974	-	(111,802)	5,724,172
R Scrimgeour	5,310,732	-	-	5,310,732
G Schwab	-	-	-	-
B Kay	2,232,994	-	(85,825)	2,147,169

24. Related Party Disclosures

Key Management Personnel

- (i) Mr Boston's Directors' fees and consulting fees for the year were \$216,800 (2020: \$196,662) of which \$16,267 was accrued and outstanding at year end. Mr Boston is also a Director of Raisemetrex Pty Ltd which was paid \$60,000 by the Company to provide an online platform for the administration of capital raisings and electronic communications with shareholders.
- (ii) Mr Kay's Directors' fees and consulting fees for the year were \$212,677 (2020: \$199,255).
- (iii) Mr Scrimgeour's Directors' fees for the year were \$81,030 (2020: \$81,030).
- (iv) Mr Schwab's Directors' fees and consulting fees for the year were \$121,638 (2020: \$102,054) of which \$6,167 was accrued and outstanding at year end.

All transactions were made on normal commercial terms and conditions and at market rates.

25. Share Based Payments

The Company has adopted an Employee Incentive Plan that allows for share options to be granted to eligible employees and officers of the Group. The number of share options that can be issued under the plan cannot exceed 5% of the total number of shares on issue. The terms and conditions of the share options issued under the plan are at the discretion of the Board. During the year no options were issued (2020: nil).

Options Issued

The Company has issued equity based payments to key corporate and strategic consultants of the Company to provide an incentive for their future involvement and commitment.

	2021		2020	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Number of Options
Opening amounts	1,000,000	\$1.00	1,000,000	\$1.00
Exercised during the year	(1,000,000)	\$1.00	-	-
Closing amount	-	-	1,000,000	\$1.00

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

25. Share Based Payments (continued)

2021

Issue date	Expiry date	Balance at start of year	Exercise Price	Number issued during year	Number exercised during year	Number expired during year	Balance at end of year	Number exercisable at end of year
7 Nov 2016	31 Oct 2020	1,000,000	\$1.00	-	(1,000,000)	-	-	-

2020

Issue date	Expiry date	Balance at start of year	Exercise Price	Number issued during year	Number exercised during year	Number expired during year	Balance at end of year	Number exercisable at end of year
7 Nov 2016	31 Oct 2020	1,000,000	\$1.00	-	-	-	1,000,000	1,000,000

The weighted average share price during the financial year was \$2.32 (2020: \$2.53).

The weighted average remaining contractual life of options outstanding at the end of the financial year was nil (2020: 0.34 years).

Performance Rights

The Company has adopted a Performance Rights Plan which allows for performance rights to be granted to employees, Directors and consultants of the Group ("Eligible Participants"), by providing performance related incentives and rewards. Subject to certain criteria being satisfied, the Board may offer Eligible Participants performance rights which upon vesting will entitle the holder to one ordinary fully paid share in the Company for each performance right held.

There were no Performance Rights issued in 2021 (2020: Nil).

Directors Shares

There were no Directors shares issued in 2021 (2020: Nil).

26. Business Combination

On 20 January 2021 the group acquired 100% of the shares and voting rights in Unity Mining Pty Ltd (Henty Gold Mine). Henty Gold Mine is a high grade, under ground gold-silver mine with established infrastructure and significant exploration upside in the mineral rich Mt Read Volcanic belt in Western Tasmania, proximate to world class deposits. The operation consists of an underground mine, which is accessible from surface to the series of ore bodies via shaft and decline, linked to a common portal exit, and a conventional CIL processing plant with a capacity of 300ktpa.

The acquisition includes the transition of the site operating team lead by General Manager, Mr Dion Alford.

As the acquisition of Unity Mining Pty Ltd was completed on 20 January 2021, the accounting for the business combination at 30 June 2021 is provisional.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

26. Business Combination (continued)

Details of the acquisition are as follows:

	\$
Cash	555,318
Receivables	1,741,007
Inventories	3,465,285
Property, plant and equipment	2,654,329
Exploration – mining rights	1,137,111
Mining development assets	3,708,538
Payables	(2,743,139)
Provisions	(3,329,300)
Net assets acquired	7,189,149
Exploration and evaluation expenditure	17,810,851
Acquisition – date fair value of the total consideration transferred	25,000,000
Representing:	
Catalyst Limited Shares issued to vendor ⁽¹⁾	7,200,000
Cash Consideration paid	6,000,000
Deferred share consideration ⁽²⁾	800,000
Deferred cash consideration ⁽³⁾	6,000,000
Contingent consideration payable ⁽⁴⁾	5,000,000
	25,000,000

(1) 3,428,572 ordinary shares issued at \$2.10 per share, as partial payment for the acquisition.

(2) Deferred share consideration will be deferred for a minimum of 3 years after purchase at \$2.10 per share

(3) Deferred cash consideration is to be paid on the 6 month (\$3,000,000) and 12 month (\$3,000,000) anniversary of the acquisition

(4) Contingent consideration amount will be calculated as the less of \$5,000,000 or 50% of cashflow to equity generated by Henty in the initial 12 months post acquisition. The payment of contingent consideration will occur as soon as practicable 12 months after acquisition. Management has assessed the probability of the payment as highly likely.

27. Auditor's Remuneration

	2021 \$	2020 \$
Audit or review of the financial statements	59,500	25,600
Other services – audit of joint venture financial statements	17,000	9,200
	76,500	34,800

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

28. Commitments

There were no outstanding commitments, which are not disclosed in the financial statements as at 30 June 2021 other than:

	2021 \$	2020 \$
(a) Tenement commitments		
No later than 1 year	1,461,750	1,452,500
Later than 1 year but not later than 5 years	-	-
	<u>1,461,750</u>	<u>1,452,500</u>

29. Financial Instruments

	Notes	Floating Interest Rate	1 year or less \$	Over 1-5 years \$	Non-interest bearing \$	Total \$
2021						
Financial assets						
Cash and cash equivalents	9	0.5%	33,518,541	-	-	33,518,541
Trade and other receivables	10	-	-	-	2,826,154	2,826,154
Total financial assets			<u>33,518,541</u>	<u>-</u>	<u>2,826,154</u>	<u>36,344,695</u>
Financial liabilities						
Trade and other payables	15	-	-	-	11,640,073	11,640,073
Advances	16	-	-	-	215,526	215,526
Leases		5%	224,794	220,062	-	444,856
Deferred payables					11,800,000	11,800,000
Interest bearing liabilities		2.7%	802,595	-	-	802,595
Total financial liabilities			<u>1,027,389</u>	<u>220,062</u>	<u>23,655,599</u>	<u>24,903,050</u>
Net financial assets			<u>32,491,152</u>	<u>(220,062)</u>	<u>(20,829,445)</u>	<u>11,441,645</u>

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

29. Financial Instruments (continued)

	Notes	Floating Interest Rate	1 year or less \$	Over 1-5 years \$	Non-interest bearing \$	Total \$
2020						
Financial assets						
Cash and cash equivalents	9	0.8%	18,335,520	-	-	18,335,520
Trade and other receivables	10	-	-	-	272,964	272,964
Total financial assets			18,335,520	-	272,964	18,608,484
Financial liabilities						
Trade and other payables	15	-	-	-	1,036,436	1,036,436
Advances	16	-	-	-	531,634	531,634
Total financial liabilities			-	-	1,568,070	1,568,070
Net financial assets			18,335,520	-	(1,495,106)	17,040,414

	2021 \$	2020 \$
Reconciliation of net financial assets to net assets		
Net Financial Assets	11,441,645	17,040,414
Property, plant & equipment	5,814,969	96,867
Exploration expenditure	30,001,347	5,547,838
Capitalised development	6,505,722	-
Inventory	3,898,595	-
Provisions	(3,517,027)	-
Net Assets	54,145,251	22,685,119

Market Risks

Interest rate risks

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

Interest rate sensitivity

At 30 June 2021, if interest rates had changed by 100 basis points during the entire year with all other variables held constant, profit for the year and equity would have been \$324,911 (2020: \$183,355) lower/higher, mainly as a result of lower/higher interest income from cash and cash equivalents.

A sensitivity of 100 basis points has been selected as this is considered reasonably possible in the current economic environment. Based on the sensitivity analysis only interest revenue from variable rate deposits and cash balances are impacted resulting in a decrease or increase in overall income.

CATALYST METALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 June 2021

29. Financial Instruments (continued)

Credit risk

The maximum exposure to credit risk at balance date is the carrying amount (net of provision of doubtful debts) of those assets as disclosed in the balance sheet and notes to the financial statements. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Liquidity risk

The responsibility for liquidity risk management rests with the Board of Directors. The Group manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments.

30. Contingent Liabilities and Contingent Assets

The Group does not have any contingent liabilities or contingent assets at 30 June 2021.

31. Subsequent Events

In July 2021 the Company paid \$3,000,000 portion of deferred consideration for the acquisition of the Henty Mine.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has had no significant impact on the Consolidated Entity up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

32. Parent Entity Disclosure

	2021 \$	2020 \$
Total current assets	24,293,673	17,372,957
Total assets	57,229,965	17,469,824
Total current liabilities	3,084,714	708,626
Total liabilities	3,084,714	708,626
Equity		
Contributed equity	72,912,682	41,350,109
Share based payments reserve	372,972	372,972
Accumulated losses	(19,140,403)	(24,961,883)
Total equity	54,145,251	16,761,198
Profit (loss) for the year	5,821,480	(5,015,297)
Total comprehensive profit (loss)	5,821,480	(5,015,297)

CATALYST METALS LIMITED

DIRECTORS' DECLARATION

The Directors of the Company declare that in the opinion of the Directors:

1. the financial statements and notes are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the year then ended;
2. the financial statements and notes thereto also comply with International Financial Reporting Standards, as disclosed in Note 1;
3. the Directors have been given the declarations required by section 295A of the Corporations Act 2001; and
4. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a circular resolution of the Board of Directors.



Stephen Boston
Chairman

Dated at Perth this 30th day of September 2021



RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT To the Members of Catalyst Metals Limited

Opinion

We have audited the financial report of Catalyst Metals Limited (**Company**) and its subsidiaries (**Group**), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (**Code**) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed this matter
Capitalised exploration and evaluation expenditure Refer to Note 13 in the financial statements	
The Group has capitalised exploration and evaluation expenditure with a carrying value of \$30,001,347 as at 30 June 2021. We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the asset including: • Determination of whether the exploration and evaluation expenditure can be associated with finding specific mineral resources and the basis on which that expenditure is allocated to an area of interest; • Assessing whether any indicators of impairment are present and, if so, judgement applied to determine and quantify any impairment loss; and • Assessing whether exploration activities have reached a stage at which the existence of economically recoverable reserves may be determined.	Our audit procedures included: • Ensuring that the right to tenure of the area of interest was current; • Agreeing a sample of additions to supporting documentation and ensuring the amounts are capital in nature and relate to the area of interest; • Enquiring with management and reviewing budgets and other documentation as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future; • Assessing and evaluating management's assessment of whether indicators of impairment existed at the reporting date; and • Through discussions with the management and review of the Board Minutes, ASX announcements and other relevant documentation, assessing management's determination that exploration activities have not yet progressed to the stage where the existence or otherwise of economically recoverable reserves may be determined.

Key audit matter	How our audit addressed this matter
Business combination Refer to Note 26 in the financial statements	
On 20 January 2021, the Group acquired 100% of Unity Mining Pty Ltd and its subsidiary. Under a share sale agreement, the purchase consideration of \$25,000,000 consisted of 3,428,572 fully paid ordinary shares worth \$7,200,000; cash consideration of \$6,000,000; deferred consideration of \$6,800,000 payable in 3 instalments and contingent consideration of \$5,000,000. The accounting for this acquisition is a key audit matter because it involved the exercise of judgement in relation to: • Determining whether the transaction was a business combination or an asset acquisition, based on whether the definition of a business in <i>AASB 3 Business Combinations</i> was met; • Determining the fair value of the consideration paid through the issue of ordinary shares; • Determining the fair value of net assets acquired; and • Determining the acquisition date.	Our audit procedures included: • Reviewing the respective sale and purchase agreements to understand each transaction and the related accounting considerations; • Assessing management's determination of the fair value of the consideration paid and net assets acquired; • Evaluating management's determination that the acquisition of Unity Mining Pty Ltd met the definition of a business within <i>AASB 3 Business Combinations</i> and therefore was a business combination; and • Reviewing the disclosures in the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf.

This description forms part of our auditor's report.

Report on the Remuneration Report*Opinion on the Remuneration Report*

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Catalyst Metals Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink, appearing to read "David Wall".

David Wall
Partner
RSM Australia Partners

Perth, Western Australia
30 September 2021

CATALYST METALS LIMITED

ADDITIONAL INFORMATION

The following information was reflected in the records of the Company as at 23 September 2021.

Distribution of share and option holders

	Number of holders		
	Fully paid shares	Listed options	Unlisted options
1 - 1,000	572	148	-
1,001 - 5,000	516	88	-
5,001 - 10,000	171	28	-
10,001 - 100,000	288	45	-
100,001 and over	82	13	-
	1,629	322	-
Including holdings of less than a marketable parcel	199		

Substantial shareholders

The following shareholders have lodged a notice of substantial shareholding in the Company.

Shareholder	Number of shares	%
St Barbara Limited	12,690,222	12.91
Gold Exploration Victoria Pty Ltd	12,495,278	12.71
Drill Investments Pty Ltd	7,375,000	7.50
Trapine Pty Ltd	5,799,877	5.90
Robin Scrimgeour	5,310,731	5.40

Twenty largest holders of fully paid shares

Shareholder	Shares	%
1. St Barbara Limited	12,690,222	12.91
2. Gold Exploration Victoria Pty Ltd	12,180,000	12.39
3. HSBC Custody Nominees (Australia) Limited	10,405,886	10.59
4. Drill Investments Pty Ltd	7,650,000	7.78
5. Citicorp Nominees Pty Ltd	6,593,553	6.71
6. Trapine Pty Ltd	4,684,770	4.77
7. Diversified Minerals Management Pty Ltd	2,960,999	3.01
8. BNP Paribas Nominees Pty Ltd	2,139,921	2.18
9. Kayfund Pty Ltd	2,108,843	2.15
10. Invia Custodian Pty Ltd	2,066,875	2.10
11. BMO Nesbitt Burns	1,428,571	1.45
12. Gavin Arnold Caudle	1,373,625	1.40
13. Providence Gold and Minerals Pty Ltd	1,350,349	1.37
14. Kimberley Downs Pty Ltd	1,208,921	1.23
15. Gavin Arnold Caudle	1,047,619	1.07
16. Lindway Investments Pty Ltd	865,975	0.88
17. Gavin Caudle	797,092	0.81
18. Roger George Davis	786,561	0.80
19. John Paul Sisterson	709,255	0.72
20. Vestcourt Pty Ltd	521,716	0.53
	<u>73,570,753</u>	<u>74.85</u>

CATALYST METALS LIMITED

ADDITIONAL INFORMATION

Twenty largest holders of quoted options

Optionholder	Options	%
1. St Barbara Limited	1,114,962	14.15
2. Gold Exploration Victoria Pty Ltd	868,000	11.01
3. HSBC Custody Nominees (Australia) Limited	863,180	10.95
4. Drill Investments Pty Ltd	667,500	8.47
5. Citicorp Nominees Pty Ltd	651,774	8.27
6. Trapine Pty Ltd	458,477	5.82
7. Invia Custodian Pty Ltd	206,688	2.62
8. Michael Rex Hunt & Lynne Maree Hunt	206,000	2.61
9. Kayfund Pty Ltd	201,468	2.55
10. Providence Gold and Minerals Pty Ltd	153,785	1.95
11. BNP Paribas Nominees Pty Ltd	139,413	1.77
12. Gavin Arnold Caudle	137,363	1.74
13. Kimberley Downs Pty Ltd	119,464	1.52
14. Gavin Arnold Caudle	100,000	1.27
15. Robert Joseph Biro	100,000	1.27
16. Gavin Caudle	89,710	1.14
17. Peter McClure Superannuation Fund Pty Ltd	86,000	1.09
18. Roger George Davis	77,228	0.98
19. Vestcourt Pty Ltd	71,000	0.90
20. John Sisterson & Simone Sisterson	69,974	0.89
	<u>6,381,986</u>	<u>80.97</u>

Unquoted securities

There were no classes of unquoted securities on issue in the Company.

Classes of shares and voting rights

At meetings of members or classes of members, each member entitled to vote may vote in person or by proxy or attorney. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and on a poll, every person present in person or by proxy has one vote for each ordinary share held.

Voluntary escrow	Number
Ordinary fully paid shares subject to voluntary escrow until 20 January 2024	3,428,572

Corporate governance statement

The Company's 2020 corporate governance statement can be viewed at <https://catalystmetals.com.au/about-catalyst/corporate-governance/>

CATALYST METALS LIMITED

ADDITIONAL INFORMATION

Tenement directory

Project	Tenement number	Beneficial interest
Victoria		
Four Eagles	RL006422, EL5295, EL5508, EL006859	50%
Tandarra	RL006660	51%
Macorna	EL5521, EL006894 EL006549 (mineral rights)	100% (farm-out of 50% interest)
Boort	EL006670	100% (farm-out of 50% interest)
Drummarlin	EL006507	100% (farm-out of 50% interest)
Raydarra East	EL5509	100%
Sebastian	EL5533	100%
Raydarra	EL007214	100%
Golden Camel	EL5490, EL5449	50.1% (earning in via farm-in agreement)
Tasmania		
Henty Gold Mine	ML 7M/1991, ML 5M/2002, ML 7M/2006, EL28/2001, EL8/2009	100%

Competent person statement

The information in this report that relates to exploration results is based on information compiled by Mr Bruce Kay, a Competent Person, 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 that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 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.

Much of the historical information relating to the Four Eagles project was prepared and first disclosed under the JORC Code 2004. This information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was reported.

Information relating to the Tandarra project was first disclosed by previous tenement holders under the JORC Code 2004. This information has been subsequently reported by the Company in accordance with the JORC Code 2012, refer to announcement dated 1 September 2014 and the quarterly activities report dated 31 July 2014.

CATALYST METALS LIMITED

ADDITIONAL INFORMATION

Mineral resources statement for Henty Gold Mine

In September 2020, CSA Global Pty Ltd (CSA Global) was commissioned by the vendors of the Henty Gold Mine in Tasmania to prepare a Mineral Resource Estimate (MRE). The MRE has been reported in accordance with the JORC 2012 Code. The Company acquired a 100% interest in the Henty Gold Mine with effect from 20 January 2021.

The Company's Mineral Resource estimate for the Henty Gold Mine as at 30 June 2021 is detailed below.

JORC Classification	Tonnage (Mt)	Au (g/t)	Ounces (koz)
Indicated	1.6	4.3	225
Inferred	0.8	4.2	109
Total	2.4	4.3	334

- Notes on Henty JORC 2012 Mineral Resources; The Resource estimate was prepared by CSA Global based on data up to 30 June 2020. An updated Resource estimate is currently being prepared.
- Due to the effect of rounding, totals may not represent the sum of all components.
- Tonnages are rounded to the nearest 0.1 million tonnes, ounces are rounded to the nearest 1,000 ounces, grades are shown to two significant figures.
- Reporting criteria are: Indicated and Inferred material (RESCAT=2 or RESCAT=3), Au >1.75 g/t (AU>1.75), unsterilised (STERIL=0) with reasonable prospects of eventual economic extraction (RPEEE=1).
- The information reported that relates to the Mineral Resources for the Henty underground deposit is extracted from the ASX release titled Major Exploration Programs, Complementary Acquisition and Capital Raising, dated 21 December 2020.

Competent Person's Statement for JORC 2012 Mineral Resource Estimate

The Henty Resource estimation in this report was prepared by Mr Christopher Adams of CSA Global Pty Ltd, a competent person as defined by the 2012 JORC Edition, who has five years' experience which is relevant to the style of mineralisation and type of deposit described in the report and to the activity for which he is accepting responsibility. He is a Member or Fellow of the Australasian Institute of Mining and Metallurgy or the Australian Institute of Geoscientists or a recognised Professional organisation (RPO) included in a list promulgated by ASX from time to time. Mr Adams verifies that the Mineral Resource estimate section of this report is based on and fairly and accurately reflects in the form and context in which it appears, the information in his supporting documentation relating to Mineral Resource estimate. Mr Adams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Catalyst confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant ASX market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

Governance and internal controls

Mineral Resources are estimated either by suitably qualified consultants or internal personnel in accordance with the applicable JORC Code and using industry standard techniques and internal guidelines for the estimation and reporting of Mineral Resources. All data is collected in accordance with applicable JORC Code requirements. Any Ore Reserve estimates are based on pre-feasibility or feasibility studies which consider all material factors.

The estimates and supporting data and documentation are reviewed by qualified Competent Persons (including estimation methodology, sampling, analytical and test data).