



ASX ANNOUNCEMENT

5 MAY 2017

CAPITAL RAISING PROSPECTUS

- **Prospectus lodged for a proposed capital raising of up to \$1.5 million**
- **Prospectus will be open to both Catalyst shareholders and the general public**
- **Capital raising to be at the same price and for the same number of shares as recent placement made to St Barbara Limited (SBM)**
- **Additional funding will enable acceleration of Whitelaw Gold Belt exploration programmes in 2017-18**

Catalyst Metals Limited (**Catalyst** or the **Company**) (ASX: **CYL**) advises that a prospectus has been lodged with the Australian Securities and Investments Commission (**ASIC**) for a proposed capital raising of up to \$1.5 million through the issue of 3 million ordinary fully paid shares at an issue price of 50 cents per share.

Through the prospectus, eligible Catalyst shareholders and other Australian and New Zealand investors will be offered the opportunity to participate in a capital raising up to the same level as the recent placement made to St Barbara Limited (ASX: **SBM**). There are no "entitlements" under the offer and eligible shareholders and investors may apply for any amount of shares under the offer, but applications must be for a minimum of \$500 and applications may be scaled back at the discretion of the Directors.

Funds raised from the placement will be used for future exploration and evaluation activities on Catalyst's mineral tenement interests, including the Four Eagles and Tandarra Gold Projects, the possible investigation of additional resources investment opportunities and for general working capital requirements.

The offer will open on 19 May 2017 and will close on 31 August 2017 (unless extended or closed earlier). Issues of new shares under the prospectus offer will occur progressively during the offer period, currently contemplated to occur in \$200,000 tranches based on when applications are received during the offer period, but subject to the ultimate discretion of the Board.

Full details of the capital raising and how to apply for shares are set out in the attached copy of the prospectus dated 5 May 2017 and lodged with ASIC. A copy of the prospectus will also be sent to all eligible shareholders on or around 19 May 2017.

Shareholder approval will not be sought for the capital raising and related parties of the Company will not be entitled to participate in the capital raising.

For further information contact:

Steve Boston
Chairman

Telephone: +61 409 574 515

Bruce Kay
Technical Director
+61 400 613 180



CATALYST METALS LIMITED

ACN 118 912 495

5 May 2017

PROSPECTUS

To raise up to \$1.5 million by way of the Offer of up to 3 million Shares at \$0.50 each, closing at 5.00 pm (Perth time) on 31 August 2017 (unless extended or closed earlier).

IMPORTANT NOTICE

This is an important document and should be read in its entirety. If you do not understand it, or are in doubt as to how to act, you should consult your financial or other professional adviser. The securities offered pursuant to this Prospectus should be considered a speculative investment and potential investors should refer to section 3 for details concerning the risk factors.

CORPORATE DIRECTORY

Directors	Stephen Boston (Chairman) Bruce Kay (Non-Executive Director) Gary Schwab (Non-Executive Director) Robin Scrimgeour (Non-Executive Director)
Company Secretary	Frank Campagna
Registered Office	44 Kings Park Road West Perth WA 6005 Telephone: +61 8 6263 4423 Facsimile: +61 8 9284 5426
Share Registry	Security Transfer Australia Pty Ltd 770 Canning Highway Applecross WA 6153 Telephone: +61 8 9315 2333 Facsimile: +61 8 9315 2233 E-mail: registrar@securitytransfer.com.au
Lawyers	Piper Alderman Level 16 70 Franklin Street Adelaide SA 5000
Web-site	www.catalystmetals.com.au

INDICATIVE TIMETABLE

The indicative timetable for the Offer is as follows:

EVENT	DATE
Prospectus lodged with ASIC and copy provided to ASX	5 May 2017
Appendix 3B lodged with ASX	5 May 2017
Offer opens	19 May 2017
Prospectus available through Catalyst and Raisemetrex web-site	19 May 2017
Record date for determining Eligible Shareholders	5.00 pm (Perth time) on 5 May 2017
Prospectus sent to Eligible Shareholders	19 May 2017
Closing Date	5.00 pm (Perth time) on 31 August 2017 (unless extended or closed earlier)
Allotment of New Shares	To occur progressively during the Offer Period
Expected commencement of trading of New Shares	The Business Day after allotment
Despatch of holding statements for New Shares	Within 3 Business Days after allotment

Subject to the ASX Listing Rules, the Directors reserve the right to vary the dates for the Offer at their discretion.

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IMPORTANT NOTICES

This Prospectus is dated 5 May 2017 and was lodged with ASIC on 5 May 2017. ASIC and ASX take no responsibility for the contents of this Prospectus.

This Prospectus is for an offer of continuously quoted securities issued in accordance with section 713 of the Corporations Act.

No New Shares will be issued on the basis of this Prospectus after the expiry date of the Prospectus, which is 13 months after the date of this Prospectus.

In preparing this Prospectus, regard has been given to the fact that ASX maintains a file containing publicly disclosed information about the Company and that the Company is a disclosing entity for the purpose of the Corporations Act, and certain matters may reasonably be expected to be known to professional advisers whom potential investors may consult.

This Prospectus includes forward looking statements that have been based on current expectations about future acts, events and circumstances. These forward looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward looking statements. These factors include, among other things, commercial and other risks associated with the meeting of objectives and other investment considerations, as well as other matters not yet known to the Company or not currently considered material by the Company.

This Prospectus and the Application Form does not constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to make such an offer. Where the Prospectus has been despatched to persons domiciled in a country other than Australia and New Zealand (or in the case of Eligible Shareholders, Australia, New Zealand, Singapore or Hong Kong) and where that country's securities code or legislation prohibits or restricts in any way the making of the offer, the Prospectus is provided for information purposes only. Any recipient of this Prospectus domiciled in a country outside of Australia or New Zealand (or in the case of Eligible Shareholders, Australia, New Zealand, Singapore or Hong Kong) should consult their professional advisers on requisite formalities and restrictions that may apply to them.

This Prospectus may not be released or distributed in the United States. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States, and may not be offered or sold in the United States, or to, or for the account or benefit of a US Person, except in a transaction exempt from the registration requirements of the US Securities Act and applicable United States state securities laws.

No person is authorised to give any information or to make any representation in connection with the offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the offer.

Expressions used in this Prospectus with an upper case initial letter have defined meanings which are set out at the end of this Prospectus.

Warning statement applicable to New Zealand investors

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

CHAIRMAN'S LETTER

Dear Investor

On behalf of the Directors of Catalyst Metals Limited, I am pleased to present this Prospectus to raise up to \$1.5 million for the Company.

The Company is undertaking an Offer of up to 3 million New Shares at \$0.50 each, which will close at 5.00 pm (Perth time) on 31 August 2017 unless extended or closed earlier, at the absolute discretion of the Directors.

If you are either an existing Shareholder with a registered address in Australia, New Zealand, Singapore or Hong Kong on the Record Date, or a new investor that is a resident of Australia or New Zealand, you may participate in the Offer. Eligible Investors may apply for any number of New Shares, provided it is a marketable parcel worth at least \$500 (1,000 New Shares). Applications may be scaled back at the absolute discretion of the Board, in accordance with the terms of the Offer.

It is intended that the issue of Shares under the Offer will occur progressively during the Offer Period, in \$200,000 tranches based on when Applications are received (or such other tranches determined by the Directors in their absolute discretion).

The issue price of the Shares is at the same price as the recent \$1.5 million placement to St Barbara Limited and represents a premium of 1.4% to the 5 day volume weighted average closing price of Shares up to 4 May 2017 of \$0.493.

Funds raised from the Offer (after costs) will be used as follows:

- (a) to fund ongoing exploration and evaluation activities on the Company's mineral tenement interests (including the Four Eagles Gold Project and Tandarra Gold Project located north of Bendigo in Victoria);
- (b) investigation of additional resources investment opportunities; and
- (c) for the Company's general working capital requirements.

The Four Eagles Gold Project and the Tandarra Gold Project are situated around 15 kilometres apart along the Whitelaw Fault Corridor which is considered to be a major structural control of gold mineralisation north of Bendigo in Victoria. This area is largely untested because the favourable gold-bearing rocks are hidden beneath barren Murray Basin cover sediments.

The Four Eagles Gold Project is a joint venture between a wholly owned subsidiary of Catalyst, Providence Gold and Minerals Pty Ltd (**Providence**) and Gold Exploration Victoria Pty Ltd (**GEV**) (a wholly owned subsidiary of Hancock Prospecting Pty Ltd). Catalyst is retaining its 50% interest in the project whilst GEV has earned a 25% interest in the project and has made the decision to spend a further \$2.1 million to earn the remaining 25% from Providence. The project is managed by Catalyst within the Four Eagles Joint Venture.

The Tandarra Gold Project comprises Exploration Licence 4897, which is owned by Navarre Minerals Limited (**Navarre**). Under a farm-in arrangement with Navarre, Catalyst (through a wholly owned subsidiary) is earning a 51% equity interest in Exploration Licence 4897 by spending \$3 million on exploration over a four-year period (of which it has expended approximately \$900,000 to date and must expend the remainder by September 2018).

CATALYST METALS LIMITED

You are encouraged to read this Prospectus fully, including the Risk Factors in Section 3. An investment in the Company should be considered speculative. If you have any questions about the Offer, you should consult your stockbroker or other professional adviser.

Yours sincerely



Stephen Boston
Chairman

SUMMARY OF KEY INVESTMENT HIGHLIGHTS AND RISKS

KEY INVESTMENT HIGHLIGHTS

- The Offer will raise up to \$1.5 million to be used towards future exploration and evaluation activities on the Company's mineral tenement interests, including the Four Eagles and Tandarra Gold Projects, the investigation of additional resources investment opportunities and for the Company's general working capital requirements.
- The issue price of the Shares is at the same price as the recent \$1.5 million placement to St Barbara Limited and represents a premium of 1.4% to the 5 day volume weighted average closing price of Shares up to 4 May 2017 of \$0.493.
- If you are an Eligible Shareholder, being one with a registered address in Australia, New Zealand, Singapore or Hong Kong on the Record Date, or an investor that is a resident of Australia or New Zealand, you may apply for Shares under the Offer.
- Applications may be for any amount, provided it is at least a Marketable Parcel worth at least \$500 (1,000 New Shares).
- The Four Eagles Gold Project covers an envelope of gold mineralisation around 6 kilometres long and 2.5 kilometres wide with gold occurring in at least three structural zones trending roughly north south. Three prospects have produced high grade gold intersections (Discovery, Hayanmi and Boyd's Dam).
- Gold mineralisation at the Tandarra Gold Project was discovered in 2006 by previous operators. High grade gold mineralisation has been intersected on the Tomorrow and Macnaughtan Structures with the former structure hosting significant gold grades at basement depths of less than 20 metres.

KEY INVESTMENT RISKS

- The market price of the Company's Shares may fluctuate and may remain less than the issue price.
- There is no minimum subscription under the Offer and if the Offer is not fully subscribed, the Company may need to raise further capital in the next 12-18 months, which could result in dilution to your Shareholding (depending on the nature of the capital raising) or future exploration activities may be scaled back accordingly.
- The Company's financial position, assets or future prospects may be impacted by risks associated with the Company's projects, including the risk that:
 - the Company's interest in the Four Eagles Project could be subject to dilution, if the Company elects not to or is unable to fund its share of further exploration expenditure on the Four Eagles Gold Project once the current farm-in partner earns its 50% interest in the project;
 - regulatory approval is not granted for the conversion of EL 4525 within the Four Eagles Gold Project into a new retention licence;
 - the Company will not earn an interest in the Tandarra and Raydarra Projects if it does not meet its earn in obligations by the required dates or elects to withdraw;
 - regulatory approval is not granted for the conversion of EL 4897 (Tandarra Gold Project) into a new retention licence when the existing Exploration Licence expires in December 2017;
 - the Company may be required to relinquish tenement areas it considers prospective, due to the compulsory relinquishment requirements for exploration licences in Victoria, or lose rights to ground due to restrictions on renewals of exploration licences beyond 5 years and the preconditions to the grant of a retention licence or mining lease.
- If the Company acquires any new projects in the future then there may be risks associated with that acquisition (and it may need to raise further capital to fund the acquisition or the project once acquired, which could result in dilution to your Shareholding, depending on the nature of the capital raising).

- The Company is an exploration company and currently relies on external funding. There is no guarantee that any future funding required by the Company will be available or on terms acceptable to the Company, which could have an adverse impact on the Company, its assets or activities.

These are a summary of the key investment highlights and risks only. You should read this Prospectus in full, including section 1 which contains details of the Offer, section 3 which contains more detailed disclosure of the risks associated with the Offer and an investment in the Company and Section 4 which contains the terms and conditions of the Shares.

1. DETAILS OF THE OFFER

1.1 The Offer

Under this Prospectus, the Company is making an Offer of up to 3 million Shares at \$0.50 each, to raise up to \$1.5 million.

It is intended that issues of New Shares under the Offer will occur progressively (currently contemplated to occur in \$200,000 tranches based on when Applications are received during the Offer Period, but subject to the ultimate discretion of the Board), until the Offer closes at 5.00 pm (Perth time) on 31 August 2017 (unless extended or closed earlier at the absolute discretion of the Directors).

The issue price of the New Shares is the same price as the recent placement of 3 million shares to St Barbara Limited to raise \$1.5 million and represents a premium of 1.4% to the volume weighted average price of Catalyst Shares during the 5 trading days up to and including 4 May 2017 (being the last day on which Catalyst Shares were traded on ASX prior to the date of this Prospectus).

The New Shares will be fully paid and will rank equally in all respects with the existing Shares on issue. A summary of the rights and liabilities attaching to the New Shares is set out in section 4.

The Company will apply to ASX for quotation of the New Shares on or around the same date as the date of this Prospectus. If the New Shares are not admitted to quotation, no New Shares will be issued under the Offer.

1.2 Use of Funds

Funds raised by the Offer will be used as follows:

- (a) to fund ongoing exploration and evaluation activities on the Company's mineral tenement interests (including the Four Eagles Gold Project and Tandarra Gold Project located north of Bendigo in Victoria);
- (b) investigation of additional resources investment opportunities; and
- (c) for the Company's general working capital requirements.

1.3 How to accept the Offer

The Company has engaged Raisemetrex Pty Ltd and Equity West Securities Pty Ltd to assist it with electronic applications made under the Prospectus, in order to streamline the application process.

How Eligible Shareholders may apply:

If you are an Eligible Shareholder (those existing shareholders with a registered address in Australia, New Zealand, Singapore and Hong Kong as at 5.00 pm (Perth time) on the Record Date) you will be sent a copy of this Prospectus, with a personal letter containing a unique code.

If you wish to apply for New Shares, you should visit the Raisemetrex web-site www.raisemetrex.com.au and register using your unique code. The registration process involves you accepting the Raisemetrex terms and conditions, inserting your email address, setting a password and activating your user status (you must have a valid email address to do this).

Once you have registered and activated your user status, you will be able to apply for New Shares by following the prompts. You may apply for any amount of New Shares, provided it comprises a Marketable Parcel worth at least \$500 (1,000 New Shares) and provided it does not breach the Corporations Act.

Following registration and application for New Shares on the Raisemetrex web-site, you will be sent an Application Form by e-mail, with payment details, including the specific Biller Code and a unique Customer Reference Number for payment by BPAY. In order to finalise your Application, you must follow the payment instructions set out in that Application Form, including as to payment. Payment of the Application Money must be as set out in the Application Form and must be received by the Company prior to the Closing Date.

Unless you pay the Application Money via BPAY, you must also return the Application Form to the Company to the following address:

Catalyst Metals Limited
PO Box 778
Claremont WA 6910

Applications will not be valid until the Application Money is received in full by the Company.

Eligible Shareholders may also request a paper copy of an Application Form (attached to the Prospectus) by contacting the Company by e-mail at admin@catalystmetals.com.au or by telephone on (61-8) 6263 4423. If you request a paper form of the Application Form you can make an application for New Shares by completing the Application Form and returning it to the Company, along with payment as set out in the Application Form to the address specified above.

All payments by cheque must be in Australian currency only, made payable to "Catalyst Metals Limited" and crossed "Not Negotiable". Applicants must not forward cash. Receipts for payment will not be issued.

Application Money will be held on trust until the New Shares are issued to the Applicant or the money is returned to the Applicant. The Directors reserve the right to reject any Application or to allocate any Applicant fewer Shares than the number applied for, in their absolute discretion.

If you are allocated a lesser number of New Shares than the number you apply for, the surplus Application Money will be returned to you as soon as practicable. No interest will be paid on refunded Application Money.

How members of the public may apply

If you are not an Eligible Shareholder but are a resident of Australia or New Zealand, and wish to apply for New Shares, you should visit the Raisemetrex web-site, www.raisemetrex.com.au, and register.

If you receive correspondence from your broker in respect of the Offer, and wish to apply for New Shares, you should follow the instructions in that correspondence in order to register on the Raisemetrex web-site.

The registration process involves you accepting the Raisemetrex terms and conditions, inserting your email address, setting a password and activating your user status (you must have a valid email address to do this).

Once you have registered and activated your user status, you will be able to apply for New Shares by following the prompts. You may apply for any amount of New Shares, provided it comprises a Marketable Parcel worth at least \$500 (1,000 New Shares).

Following registration and application for New Shares on the Raisemetrex web-site, you will be sent an Application Form by e-mail, with payment details, including the specific Biller Code and a unique Customer Reference Number for payment by BPAY. In order to finalise your Application, you must follow the payment instructions set out in that Application Form, including as to payment. Payment of the Application Money must be as set out in the Application Form and must be received by the Company prior to the Closing Date.

Unless you pay the Application Money via BPAY you must also return the Application Form to the Company to the following address:

Catalyst Metals Limited
PO Box 778
Claremont WA 6910

Applications will not be valid until the Application Money is received in full by the Company.

You may also request a paper copy of the Application Form (attached to the Prospectus) by contacting the Company by e-mail at admin@catalystmetals.com.au or by telephone on (61-8) 6263 4423. If you request a paper form of the Prospectus and Application Form you can make an application for New Shares by completing the Application Form and returning it to the Company, along with payment as set out in the Application Form.

All payments by cheque must be in Australian currency only, made payable to "Catalyst Metals Limited" and crossed "Not Negotiable". Applicants must not forward cash. Receipts for payment will not be issued.

Application Money will be held on trust until the New Shares are issued to the Applicant or the money is returned to the Applicant. The Directors reserve the right to reject any Application or to allocate any Applicant fewer Shares than the number applied for, in their absolute discretion.

If you are allocated a lesser number of New Shares than the number you apply for, the surplus Application Money will be returned to you as soon as practicable. No interest will be paid on refunded Application Money.

Closing Dates for all Applications

Your Application and Application Money must be received by 5.00 pm (Perth time) on the Closing Date to be valid. Please be aware that the Directors may extend the Closing Date or close it earlier, in their absolute discretion.

Declarations

By making an Application (including by returning an Application Form to the Company or by making a payment for New Shares), you will be deemed to have:

- (a) represented and warranted that you are an Eligible Investor;
- (b) represented and warranted that you are not in the United States and are not acting for the account or benefit of a person in the United States;
- (c) represented and warranted that you understand and acknowledge that:
 - (i) neither the Offer nor the New Shares have been, nor will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States.

- (ii) the Offer may not be accepted by, and the New Shares may not be offered or sold to, persons in the United States;
- (iii) New Shares may not be offered, sold or resold in the United States except in a transaction exempt form, or subject to the registration requirements of the US Securities Act and any other applicable U.S. state securities laws;
- (e) represented and warranted that you have not and will not send this Prospectus or Application Form or any other materials relating to the Offer to any person in the United States or access this Prospectus or Application Form in any jurisdiction other than Australia or New Zealand (or in the case of Eligible Shareholders, Australia, New Zealand, Singapore or Hong Kong);
- (f) acknowledged that you have fully read and understood both this Prospectus and the Application in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Prospectus and the Application Form;
- (g) agreed to be bound by the terms of the Offer, the provisions of the Prospectus and the Company's constitution;
- (h) authorised the Company to register you as the holder of the New Shares (if any) allotted to you;
- (i) declared that all of the details and statements in the Application Form are complete and accurate;
- (j) declared that you are over 18 years of age (if an individual) and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (k) acknowledged that once the Company receives your Application Form or any payment of Application Money you may not withdraw your Application except as allowed by law;
- (l) agreed to apply for and be issued up to the number of New Shares specified in the Application Form, or for which you have submitted payment of any Application Money, at the issue price of \$0.50 per New Share;
- (m) authorised the Company, its Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your Application Form;
- (p) acknowledged that the information contained in this Prospectus and the Application Form is not investment advice nor a recommendation that the New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (q) acknowledged that this Prospectus contains an offer for continuously quoted securities and is issued under section 713 of the Corporations Act and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- (r) acknowledged that investments in the Company are subject to risk (including those risks set out in section 3 of this Prospectus);
- (s) acknowledged that none of the Company or its related bodies corporate, affiliates or directors, officers, employees, representatives, agents, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital;
- (u) authorised the Company to correct any errors in your Application Form or other form provided by you;
- (v) represented and warranted that the law of any place does not prohibit you from being given or accessing this Prospectus and the Application Form, nor does it prohibit you from making an application for New Shares;
- (w) represented and warranted that if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in regular way transactions on ASX or otherwise where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre- arranged with, or that the purchaser is, a person in the

- United States or is acting for the account or benefit of a person in the United States; and
- (x) represented and warranted that if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Application Form is resident in Australia or New Zealand (or if you are an Eligible Shareholder, Australia, New Zealand, Singapore or Hong Kong) and you have not sent this Prospectus or Application Form or any information relating to the Offer to any person located outside of Australia or New Zealand (or if you are an Eligible Shareholder, Australia, New Zealand, Singapore or Hong Kong).

1.4 Allotment and Allocation

It is intended that the New Shares will be issued to successful Applicants under the Offer on a progressive basis, and it is currently contemplated that, for administrative purposes, allotments will occur in \$200,000 tranches up to the Closing Date, based on when Applications are received, subject to the overall discretion of the Board and otherwise in accordance with the Listing Rules.

Holding statements or allotment advices in relation to the New Shares will be despatched to successful applicants in accordance with the indicative timetable set out in this Prospectus.

It is your responsibility to determine your allocation prior to trading in New Shares. If you sell any New Shares before you receive your holding statement or allotment advice, you do so at your own risk.

1.5 ASX Quotation

The Company will apply to ASX for admission of the New Shares to quotation within 7 days of the date of this Prospectus.

1.6 No minimum subscription

There is no minimum subscription for the Offer. In the event that the Offer is not fully subscribed, the Directors may need to raise further capital in the next 12 to 18 months or scale back future exploration activities in accordance with available future working capital funding.

1.7 Offer not made where to make the Offer would be unlawful

This Prospectus and Application Form does not constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to make such an offer or to make the Offer. Submission of a duly completed Application Form will constitute a representation that there has been no breach of any applicable regulations. Where the Prospectus has been despatched to persons domiciled in a country other than Australia and New Zealand (or in the case of Eligible Shareholders, Australia, New Zealand, Singapore and Hong Kong) and where that country's securities code or legislation prohibits or restricts in any way the making of the Offer, the Prospectus is provided for information purposes only.

This Prospectus and Application Form may not be released or distributed in the United States. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States, and may not be offered or sold in the United States, or to, or for the account or benefit of a US Person, except in a transaction exempt from the registration requirements of the US Securities Act and applicable United States state securities laws.

1.8 Taxation

You should seek and rely on your own taxation advice regarding the acquisition or sale of New Shares as the taxation consequences will depend on your particular circumstances.

1.9 Ranking

New Shares will rank equally with the existing Shares on issue and the Company will, within 7 days of the date of the Prospectus, apply for quotation for those Shares on ASX. The rights attaching to Shares are referred to in section 4 of this Prospectus.

1.10 Prohibition on exceeding 20% voting power threshold

You must have regard to and comply with the takeovers prohibition in section 606 of the Corporations Act (that is, the 20% voting power threshold), when applying for New Shares.

You may not apply for New Shares under this Prospectus if it would result in you or any of your associates breaching section 606.

The Company expressly disclaims any responsibility for ensuring that you do not breach section 606 as a result of applying for New Shares pursuant to this Prospectus.

If you may be at risk of exceeding the 20% voting power threshold in section 606 or increasing your voting power from a position above 20% as a result of the acquisition of Shares under this Prospectus, you should seek professional advice before applying for New Shares.

1.11 Directors Discretion

The Directors may at any time decide to withdraw this Prospectus.

The Directors may make determinations in any manner they think fit in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Offer whether generally or in relation to any Applicant. Any determinations by the Board will be conclusive and binding on all and other Applicants to whom the determination relates.

1.12 Enquiries

If you have any questions regarding the Offer, or anything referred to in this Prospectus, please contact Catalyst on:

Telephone: (61-8) 6263 4423

Facsimile: (61-8) 9284 5426

E-mail: admin@catalystmetals.com.au

2. EFFECT OF THE OFFER ON THE COMPANY

2.1 Effect on Financial Position of the Company

If the Offer is fully subscribed, the Offer will raise \$1,500,000, before costs. The estimated costs of the Offer are \$65,000 as set out in section 5.10 of this Prospectus.

There is no minimum subscription for the Offer. If the Offer is not fully subscribed, the Company may need to raise further capital in the next 12-18 months or scale back future exploration activities in accordance with available future working capital funding.

A pro-forma unaudited Statement of Financial Position as at 31 December 2016 is set out below for illustrative purposes. The pro-forma Statement of Financial Position has been prepared on the same basis and using the same accounting policies as the Company's audited financial statements for the year ended 30 June 2016. The pro-forma Statement of Financial Position has been prepared to take into account the issue of New Shares, on the basis of that the Offer is fully subscribed. There have been no material movements in assets and liabilities of the Company between 31 December 2016 and the date of this Prospectus other than:

- (a) expenses of the Offer of approximately \$65,000;
- (b) the placement to St Barbara Limited on 16 March 2017 of 3 million shares at \$0.50 each to raise \$1.5 million; and
- (c) overhead costs of \$136,000.

PRO FORMA UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audit reviewed as at 31 December 2016	Proforma as at 31 December 2016
	\$	\$
Current assets		
Cash and cash equivalents	916,469	3,715,469
Trade and other receivables	24,721	24,721
Total current assets	<u>941,190</u>	<u>3,740,190</u>
Total assets	<u>941,190</u>	<u>3,740,190</u>
Current liabilities		
Trade and other payables	138,483	138,483
Other- advances	171,795	171,795
Total current liabilities	<u>310,278</u>	<u>310,278</u>
Total liabilities	<u>310,278</u>	<u>310,278</u>
Net assets	<u>630,912</u>	<u>3,429,912</u>
Equity		
Contributed equity	11,144,571	14,079,571
Reserves	243,370	243,370
Accumulated losses	<u>(10,757,029)</u>	<u>(10,893,029)</u>
Total equity	<u>630,912</u>	<u>3,429,912</u>

¹ Refer to Section 2.1 and 2.1(a)-(c) for details of proforma adjustments to the audit reviewed consolidated statement of financial position as at 31 December 2016.

2.2 Effect of the Offer on the Capital Structure of the Company

The capital structure of the Company as at the date of this Prospectus is as follows:

	Number	Expiry date	Exercise price
Listed securities			
Shares	58,129,785	-	-
Options	2,572,403	30 June 2018	\$0.50
Unlisted securities			
Options	100,000	31 July 2018	\$1.00
Options	1,000,000	31 October 2020	\$1.00

Assuming that no existing Options are exercised or Shares are issued during the Offer Period, the capital structure following completion of the Prospectus will be as above, however the number of Shares on issue will increase by 3,000,000 to 61,129,785 Shares.

2.3 Potential effect on control

As at the date of the Prospectus, the relevant interests and voting power of the substantial shareholders of the Company (based on the last substantial shareholding notice or change of directors interest notice lodged with the Company) are as follows:

Shareholder	Number of Shares	Voting power
Drill Investments Pty Ltd	5,615,094	9.66%
Trapine Pty Ltd	5,484,135	9.43%
Robin Scrimgeour	5,065,102	8.71%
Gavin Caudle	3,873,625	6.66%
Kenneth Raymond Teagle	3,424,294	5.89%
St Barbara Limited	3,000,000	5.16%
Toby Mountjoy	2,928,126	5.04%

The Offer is not anticipated to have a material effect on the control of the Company, with the maximum dilution experienced by Shareholders that do not participate in the Offer being 5.2% and the maximum increase in voting power of any investor, in the unlikely scenario that they applied for and were allocated the full amount of Shares under the Offer, being approximately 4.9%.

3. RISK FACTORS

The following is a summary of the more material matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports. The summary is not exhaustive and you should examine the contents of this Prospectus in its entirety, rely on your own knowledge of the Company and consult your professional adviser before deciding whether to apply for New Shares. Nothing in this Prospectus constitutes financial or investment advice.

3.1 Key Risks

(1) Value of securities and share market conditions

The issue price of the Shares under the Offer represents a premium of 1.4% to the 5 day volume weighted average closing price of Shares up to 4 May 2017 of \$0.493 and the issue price under the Offer may remain below the trading price of Shares.

The market price of the Company's securities may be subject to varied and unpredictable influences on the market for equities in general and resources stocks in particular. Market conditions may affect the value of the Company's securities regardless of the Company's performance. Lack of liquidity may also affect the value of the Company's securities.

The trading price of Shares may fall as well as rise

(2) Dilution

Shareholders that do not participate in the Offer will be diluted up to a maximum of 5.2%.

(3) Taxation consequences

The acquisition or sale of a New Share may have taxation consequences, depending on your particular circumstances. You should seek your own taxation advice before applying for or disposing of New Shares.

(4) Requirements for capital

The Company is a mineral exploration company and currently relies on external funding. Therefore, it is likely that even if the Offer is fully subscribed, the Company will need to raise further capital in the future.

The Company's capital requirements depend on numerous factors including the success of its planned exploration programs, the future exploration programs for its projects, the Company's ability to generate income from its operations and possible acquisitions or other corporate opportunities. If the Company acquires any new project it may need to raise further capital to fund the acquisition or the project once acquired.

The Offer has no minimum subscription. If the Offer is not fully subscribed, the Company will need to rely more heavily on future capital raisings.

Any future capital raising could result in dilution to existing Shareholders, depending on the nature of the capital raising (whether it is via debt or equity).

Further, there is no guarantee that any future funding required by the Company would be available or on terms acceptable to the Company. If funding was not available on terms acceptable to the Company, it may need to scale back its exploration programs, which may impact adversely on the Company, or it may not be able to secure opportunities to acquire new projects or other corporate opportunities.

(5) **Specific risks regarding the Company's projects or interests**

Four Eagles Project

Catalyst (through its wholly owned subsidiary, Kite Gold Pty Ltd) currently has a 50% interest in the Four Eagles Gold Project. Catalyst's farm-in partner, Gold Exploration Victoria Pty Ltd (**GEV**), is currently funding the exploration programmes on the Four Eagles Gold Project to earn a 50% interest in the project from Providence Gold and Minerals Pty Ltd. Once the earn in has been satisfied, Catalyst will be required to fund further exploration on the Four Eagles Gold Project to retain its existing interest.

Tandarra Project

Catalyst (through its wholly owned subsidiary, Kite Operations Pty Ltd) is currently earning a 51% interest in the Tandarra Project by spending \$3 million on exploration over 4 years (of which it has expended approximately \$900,000 to date and must expend the remainder by September 2018). If Catalyst does not spend the required expenditure within the required period, or it elects to withdraw from the farm-in, it will not earn any interest in the Tandarra Project.

Raydarra Project

The Raydarra Project comprises 2 tenements, EL 5509 which is 100% owned by Kite Operations Pty Ltd and EL 5266, of which Catalyst (through Kite Operations Pty Ltd) is earning a 51% interest. If Catalyst fails to meet the expenditure or elects to withdraw, it will not earn any interest in EL 5266.

Joint venture and contractual risk

The Company (or its subsidiaries) are parties to a number of joint venture agreements or contractual arrangements with third parties.

There are risks associated with the financial failure, or default of, or dispute with, any participant in a joint venture or contractual arrangement to which the Company is or may become party to. If this occurs, it could have a material adverse impact on the Company, its assets and/or its financial position of the Company.

If a counterparty defaults in the performance of its obligations or wishes to enforce its rights, it may be necessary for the Company to seek or defend legal remedies including through a court action. Legal action can be costly and there can be no guarantee that a legal remedy would ultimately be granted to the Company on the appropriate terms (if at all).

Tenement risk

In Victoria, exploration licences are subject to the following mandatory relinquishment:

- 25% at the end of year 2;
- a further 35% at the end of year 4;
- a further 20% at the end of year 7 (leaving 20% of the original licence area) ; and
- a further 10% at the end of year 10 (leaving 10% of the original licence area).

As a result, Catalyst may be required to relinquish areas of its exploration licences that it considers are prospective.

Further, in Victoria, exploration licences may be renewed once, for up to 5 years. A second renewal for a further 5 years is only allowed in exceptional circumstances and where it can be demonstrated there is a likelihood of the licensee identifying minerals during the period of the renewal. No further renewals are permitted and in order to retain an interest in the land

the subject of the exploration licence, a retention licence or mining licence would need to be applied for and granted.

A mineralisation report is a precondition for the grant of a retention licence or a mining licence (with a minimum for an inferred resource within the meaning of the JORC 2012 code or an acceptable alternative for a retention licence, and a minimum of an indicated resource within the meaning of the JORC 2012 code or an acceptable alternative for a mining licence).

There is a risk that if an exploration licence held by the Company is not renewable and the requirements for the grant of a retention licence or mining licence are not satisfied, the Company could lose its rights to explore the land the subject of the exploration licence. The Company has applied for a retention licence in respect of the land the subject of EL 4525 (part of the Four Eagles Project) and a decision on the granting of this is pending. Of the other existing exploration licences in which the Company has an interest or is earning an interest, only EL 4897 (Tandarra Gold Project) is due to expire over the next twelve months. A new retention licence will need to be applied for prior to the expiry of EL 4897 on 14 December 2017.

3.2 General risks

(1) Key management

The Directors are primarily responsible for overseeing the operations and the strategic management of the Company. The day-to-day technical operations of the Company are the responsibility of Mr Bruce Kay, the Technical Director. There can be no assurance that there will be no detrimental impact on the Company if one or more of the Directors, particularly the Technical Director, no longer act as Directors of the Company.

(2) General economic climate

Factors such as inflation, currency fluctuation, interest rates and supply and demand have an impact on operating costs, commodity prices (particularly the gold price) and stock market prices. The Company's future revenues, the economic viability of its projects, the market price for its listed securities, and its ability to raise future capital may be affected by these factors, which are beyond the Company's control.

(3) Operational risks

The business of mining and mineral exploration, development and production by its nature involves significant risks. The business depends on, amongst other things, successful exploration and identification of mineral reserves, security of tenure, the availability of adequate funding, satisfactory performance of mining operations, weather conditions, availability and cost of consumables and plant and equipment and skilled labour when required, good industrial relations and competent management. Profitability and asset values can be affected by unforeseen changes in operating circumstances, mineral reserves and geotechnical considerations.

Mineral exploration and development are high risk undertakings. There can be no assurance that exploration of the projects the Company currently has an interest in will result in the discovery of an economic mineral deposit. If the Company makes a discovery, there can be no assurance that the technical, financial and regulatory hurdles can be cleared and profitable, commercial production achieved.

(4) Land access

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Negotiations with both native title claimants and land owners/occupiers may be required before the Company can access land

for exploration or mining activities. Inability to access, or delays experienced in accessing, the land may impact on the Company's activities.

(5) Environmental risks

The operations and proposed activities of the Company are subject to both Australian Federal and State laws and regulations concerning the environment. All exploration projects and mining operations have an impact on the environment, particularly advanced exploration and mine development.

The Company endeavours to conduct its activities to high standards of environmental obligation, including compliance with all environmental laws. However, as with all exploration and mining activities, the Company's operations are expected to have an impact on the environment. There are also risks inherent in the Company's activities including accidental leakages, spills, or other unforeseen circumstances that could subject the Company to extensive liability.

Further, the Company may require approval from relevant regulatory authorities before undertaking activities that are likely to impact on the environment. If the Company fails to obtain such approvals it will be prevented from undertaking those activities. The Company cannot predict what future legislation and regulations may govern mining, and may impose significant environmental obligations on the Company.

(6) Government policy

Changes in government, monetary policy, taxation and laws (including those regulating the resources industry) can have a significant influence on the outlook for mineral exploration or development projects, companies and the return to investors. A change to State or Commonwealth government, government policies and legislation could have a material adverse effect on the Company or its projects.

(7) Speculative nature of investment

The New Shares should be considered speculative because of the nature of the Company's business. There are numerous risk factors involved. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which Shares will trade. Similarly, no guarantee can be given as to the value of the New Shares and the price at which they will trade.

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares. You should consider that investment in the Company is speculative and should consult your professional adviser before deciding whether to apply for New Shares.

4. RIGHTS AND LIABILITIES ATTACHING TO NEW SHARES

4.1 New Shares

The New Shares will rank equally in all respects with existing Shares.

The rights and liabilities attaching to Shares are set out in the Company's Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours. The Company will supply any Applicant with a copy of the Constitution, free of charge, on request, at any time prior to the Closing Date.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of holders of Shares.

(1) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares (at present there are none), at meetings of shareholders of Catalyst:

- (a) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- (c) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid Share held, or in respect of which that person is appointed a proxy, attorney or representative, have one vote, but in respect of partly paid Shares (at present there are none), shall have such number of votes as bears the same proportion which the amount paid, not credited, is of the total amounts paid, and payable, whether or not called (excluding amounts credited) on the partly paid Shares.

(2) Rights on a winding up

Subject to the rights of holders of Shares with special rights in a winding up (if any), if the Company is wound up, members (including holders of ordinary Shares) will be entitled to participate in any surplus assets of the Company in proportion to the Shares held by them respectively irrespective of the amount paid up or credited as paid up on the Shares.

(3) Transfer of Shares

Subject to the Constitution of Catalyst, the Corporations Act, and any other laws and ASTC Settlement Rules and ASX Listing Rules, Shares are freely transferable.

(4) Future increases in capital

The allotment and issue of any Shares is under the control of the Directors. Subject to restrictions on the allotment of Shares in the ASX Listing Rules, the Constitution of the Company and the Corporations Act, the Directors may allot or otherwise dispose of Shares on such terms and conditions as they see fit.

(5) Variation of rights

Under the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders, vary or abrogate the rights attaching to Shares. If at any time the share capital is divided into different classes of shares unless the terms of issue of the Shares of a class state otherwise, the rights attached to any class may be varied or abrogated with the sanction of a special resolution passed at a meeting of shareholders, together with the consent in writing of the holders of three quarters of the issued shares of

that class, or a special resolution passed at a separate meeting of the holders of the shares of that class.

(6) **Dividend rights**

Subject to the rights of holders of Shares issued with special, preferential or qualified rights (at present there are none), the profits of the Company which the Directors determine to distribute by way of dividend are divisible among the holders of Shares in proportion to the number of Shares held by them.

(7) **Compliance with ASX Listing Rules**

As the Company is listed on ASX, the Company will need to comply with the ASX Listing Rules, notwithstanding anything contained in its Constitution.

5. ADDITIONAL INFORMATION**5.1 Continuous Disclosure and Documents available for inspection**

This is a Prospectus for the offer of continuously quoted securities (within the meaning of the Corporations Act) and is issued pursuant to section 713 of the Corporations Act as a transaction specific prospectus. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering prospectus.

The Company is a “disclosing entity” for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the ASX Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Shares, subject to certain exceptions.

Copies of documents lodged with ASIC in relation to the Company may be obtained, or inspected at, an office of ASIC.

The Company will provide to any person, on request and free of charge, a copy of each of the following documents:

- (a) the annual financial report of the Company for the financial year ended 30 June 2016, being the annual report of the Company most recently lodged with ASIC before the issue of this Prospectus;
- (b) the half-year financial report of the Company for the half year ended 31 December 2016; and
- (c) any continuous disclosure notices given by the Company to ASX in the period from lodgement of the annual financial report referred to above until lodgement of the Prospectus with ASIC, in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporation Act.

The Company has lodged the following announcements with ASX since the lodgement of the 2016 annual report:

DATE	DESCRIPTION OF ANNOUNCEMENT
28/04/2017	Quarterly activities and cash flow report
28/04/2017	Very high grade gold intersections at Four Eagles Project
21/04/2017	Tandarra Project drilling commences and Four Eagles update
17/03/2017	Notice of initial substantial shareholding from CYL
17/03/2017	Half year accounts
16/03/2017	Becoming a substantial holder from SBM
16/03/2017	Information disclosed under Listing Rule 3.10.5A
16/03/2017	Appendix 3B - share placement
16/03/2017	Catalyst secures \$1.5 million placement with St Barbara
31/01/2017	Quarterly activities and cash flow report
27/01/2017	Drilling in progress at Four Eagles project
13/12/2016	Drilling to re-commence at Four Eagles project
08/12/2016	Change of directors interest notice
23/11/2016	Change in substantial shareholding notice
23/11/2016	Change of directors interest notice
16/11/2016	Results of annual general meeting
16/11/2016	AGM presentation

07/11/2016	Appendix 3B - issue of unlisted options
31/10/2016	Quarterly activities and cash flow report
27/10/2016	Metallurgical testwork on Four Eagles project
18/10/2016	Change in substantial shareholding notice
10/10/2016	Notice of annual general meeting
30/09/2016	Appendix 4G - corporate governance disclosures

ASX announcements are available to view in full on ASX's web-site at www.asx.com.au, using the Company's code CYL.

5.2 Information excluded from continuous disclosure notices

Other than as set out in this Prospectus, as at the date of this Prospectus, there is no information that has not been disclosed under the continuous disclosure requirements of the ASX Listing Rules because the ASX Listing Rules expressly or impliedly exclude the information from disclosure, and which, in the Board's opinion, you or your professional advisers would reasonably require in order to assess the Company's assets and liabilities, financial position and performance, profits and losses or prospects or the rights and liabilities attaching to the New Shares and which would be reasonable for investors and their professional advisers to expect to find in this Prospectus.

The Directors note however that the Company is continuing to assess opportunities for the acquisition of new projects and other corporate opportunities. Any new acquisition will likely result in additional expenditure commitments, either to fund the acquisition or to fund the ongoing capital expenditure required for the new project.

5.3 Interests of Directors

Other than as set out below in this section 5 or elsewhere in this Prospectus, no Director or any entity in which a Director is a partner or director, has or has had in the two years before the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any Director or to any entity in which a Director is a partner or a director, either to induce him to become, or qualify as, a Director or otherwise for services rendered by him or by the entity in connection with the formation or promotion of the Company or the Offer.

5.4 Interests in existing securities

As at the date of this Prospectus the Directors have a direct or indirect interest in the following securities of the Company:

Director	Shares	Listed Options
Stephen Boston (Chairman)	5,741,160	287,061
Robin Scrimgeour (Non-Executive Director)	5,065,102	245,630
Gary Schwab (Non-Executive Director)	Nil	Nil
Bruce Kay (Non-Executive Director)	2,143,326	89,668

The Directors are not entitled to participate in the Offer unless shareholder approval is first obtained.

5.5 Remuneration of Directors

Directors are entitled to remuneration out of the funds of the Company but the remuneration of the non-executive Directors may not exceed in any year the amount fixed by the Company in general meeting for that purpose. The aggregate remuneration of the non-executive Directors has been fixed at a maximum of \$400,000 per annum.

The Directors are currently, and have over the past 2 years been, entitled to the following remuneration or directors' fees including statutory superannuation where applicable:

Director	Current remuneration	Total remuneration paid over past 2 years (in cash)	Total remuneration over past 2 years (in equity)
Stephen Boston	Directors' fees of \$78,840 per annum	\$122,006	\$Nil
Robin Scrimgeour	Directors' fees of \$52,560 per annum	\$71,948	\$Nil
Gary Schwab	Directors' fees of \$52,560 per annum	\$87,600	\$Nil
Bruce Kay	Directors' fees of \$52,560 per annum	\$65,700	\$Nil
	Consultancy fees for technical services of \$1,200 per day*	\$32,295	\$Nil

* *Bruce Kay is paid consultancy fees for technical services provided to the Company in addition to and outside the scope of his role as a Non-Executive Director.*

All Directors are entitled to the reimbursement of expenses incurred in carrying out their duties as 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.

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity as a Director of the Company. The Company has entered into indemnity, insurance and access deeds with each of the Directors (**Deeds**). Under the Deeds, the Company agrees to indemnify each of the Directors to the extent permitted by the Corporations Act against certain liabilities incurred by the Directors whilst acting as an officer of the Company, and to insure each Director against certain risks to which the Company is exposed as an officer of the Company. The Deeds also grant each Director a right of access to certain records of the Company for a period of up to 7 years after the Director ceases to be an officer of the Company.

5.6 Services Agreement with Raisemetrex and Equity West Securities Pty Ltd

The Company has entered into a services agreement (**Services Agreement**) with Raisemetrex Pty Ltd (**Raisemetrex**) and Equity West Securities Pty Ltd (**EW Securities**).

EW Securities is an Australian Financial Services licensee and Raisemetrex is a corporate authorised representative of EW Securities under its licence.

Raisemetrex is an Australian e-commerce company which has developed an electronic management platform for listed companies to provide a solution for the efficient management of communications to shareholders, as well as providing an electronic process for managing capital raisings (amongst other things).

Chairman, Steve Boston, is a founding and sole Director of Raisemetrex. The sole shareholder of Raisemetrex is Trapine Pty Ltd, as trustee of the Culloden Trust, of which Mr Boston is a beneficiary. Company Secretary, Frank Campagna, is also Company Secretary of Raisemetrex. The Company's Chief Financial Officer, John Arbuckle, is also Chief Financial Officer of Raisemetrex.

Mr Boston and a Non-Executive Director of Catalyst, Robin Scrimgeour, are also shareholders of the parent company of EW Securities. Mr Boston is the sole director and is an authorised representative of EW Securities and Mr Campagna is Company Secretary of EW Securities

Under the Services Agreement, Raisemetrex and EW Securities will provide certain services to the Company, including an electronic corporate platform to manage shareholder communications and services in connection with the management of the capital raisings (**Corporate Platform**), including in relation to the Offer.

The following fees are payable under the Services Agreement:

- (a) a retainer of \$2,000 per month during the term;
- (b) a fee of \$20,000 for each capital raising undertaken by the Company using the Corporate Platform; and
- (c) a capital raising or stamping fee of 1% on all funds raised by applications made through the Corporate Platform.

However, the fees are capped at the amount that the Company can pay to Raisemetrex and EW Securities from time to time without shareholder approval.

The term of the Services Agreement is until 3 May 2019, but can be extended by the Company for a further period of 12 months by notice in writing to Raisemetrex and EW Securities before the expiry of the term.

The Service Agreement can be terminated:

- (a) by any party for convenience on giving 3 months written notice to the other parties;
- (b) by a party if there is a material breach of the Services Agreement by the other parties that has not been remedied to the reasonable satisfaction of the other parties within 10 days of written notice of the breach; or
- (c) by a party if an insolvency event occurs in relation to another party (being the party is insolvent within the meaning of the Corporations Act, a resolution is passed to place it into voluntary liquidation or for the appointment of an administrator, an order is made for it to be wound up, the appoint of a controller of any of its assets or it enters into a form of arrangement with its creditors or any of them).

The Board, other than Steve Boston and Robin Scrimgeour, has assessed the terms of the Services Agreement with Raisemetrex and EW Securities, including against the terms for similar services offered by unrelated companies, and has formed the view that the terms of the Services Agreement offered by Raisemetrex and EW Securities are, on the whole, more favourable to the Company than those available on arms' length terms with unrelated parties. As a result, shareholder approval for the purposes of Chapter 2E of the Corporations Act was not sought for the Company to enter into the Services Agreement or provide the financial benefits under the Services Agreement (being the fees noted above) to Raisemetrex. The Company will be subject to the limitations under ASX Listing Rule 10.1 in paying any fees under the Services Agreement, however.

5.7 Market prices of Shares on ASX

The highest and lowest market price of Shares on the ASX during the 3 months immediately preceding the date of this Prospectus, and the closing market price on the date before the date of this Prospectus are set out below:

3 month high	3 month low	Closing market price on 4 May 2017
\$0.60 on 15 March 2017	\$0.43 on 14 March 2017	\$0.47

5.8 Restricted Securities

There are no restricted securities on issue, however the 3,000,000 shares held by St Barbara Limited are subject to voluntary escrow and cannot be disposed of without the prior written consent of the Company until 16 March 2018.

5.9 Broker handling fees

The Company will pay a broker handling fee to brokers in respect of successful valid Applications received from Applicants on the terms set out below.

The Company will pay a broker handling fee on successful Applications from clients of a broker that were procured by the broker. The broker handling fee in respect of an Application will be 4% (exclusive of GST) of the application amount of new Shares issued under the Offer.

The broker handling fee will be payable to any broker who submits to the Company a valid claim form (**Claim Form**) for broker handling fees on successful Applications. Brokers may request a claim form from the Company on admin@catalystmetals.com.au or by telephone on (61-8) 6263 4423:

No broker handling fee will be paid in respect of any Application for which more than one broker tenders a Claim Form.

Each broker firm should submit only one Claim Form, which covers all Applications in respect of which the broker is claiming the broker handling fee.

The Company at its sole discretion, reserves the right to refuse broker handling fee claims if the Claim Form or any Application Form to which the Claim Form relates is incomplete, contain errors or is otherwise invalid or defective.

5.10 Expenses of the Offer

The estimated expenses of the Offer, including ASIC lodgement fee, ASX Listing Fees, legal fees, share registry expenses, printing and postage costs and fees under the Services Agreement, are \$65,000.

5.11 Piper Alderman

Piper Alderman will receive a time based fee of approximately \$15,000 (excluding GST and disbursements) in connection with legal advice provided to the Company in respect of the Offer and the preparation and verification of documentation in connection with the Offer. Piper Alderman has also acted as legal service provider to the Company since 1 July 2016 and up to the date of this Prospectus has received or is entitled to receive legal fees in respect of those services of approximately \$50,000 (exclusive of GST and disbursements), including in respect of the legal fees for the Offer and those associated with the Services Agreement described in section 5.6.

5.12 Consents and disclaimer

Each of the parties referred to in this section 5.12:

- (a) has not authorised or caused the issue of this Prospectus;
- (b) has not made, or purported to make any statement in this Prospectus, or on which any statement made in this Prospectus is based, other than the statements referred in this section 5.12 (and in the case of Raisemetrex and Equity West Securities Pty Ltd, the statements in section 5.6 and in the case of Piper Alderman the statements in section 5.11);
- (c) does not assume responsibility for any part of this Prospectus except for the statements referred to in this section 5.12 (and in the case of Raisemetrex and Equity West Securities Pty Ltd, the statements in section 5.6 and in the case of Piper Alderman the statements in section 5.11); and
- (d) to the maximum extent permitted by law, disclaim any responsibility or liability for any part of this Prospectus, other than a reference to it or a statement to be included in this Prospectus with their consent as specified in this section 5.12.

Each of the following has consented in writing to being named in the Prospectus in the capacity noted below and in the form and context in which they have been named, and has not withdrawn such consent prior to the lodgement of this Prospectus with ASIC:

- (a) Piper Alderman as legal advisor to the Company;

- (b) Security Transfer Australia Pty Ltd as the Company's share registry; and
- (c) Raisemetrex and Equity West Securities Pty Ltd as providing the services under the Services Agreement.

5.13 Directors consent

Each Director has consented in writing to any statements included in this Prospectus attributed to, or said to be based on, a statement by them, or the Directors or the Company and has not withdrawn that consent.

5.14 Litigation

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company.

5.15 Further information

If you have any questions about the Offer, please contact either:

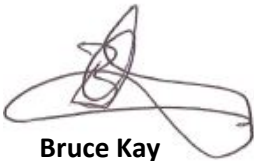
- (a) Catalyst on
 - Telephone: (61-8) 6263 4423
 - Facsimile: (61-8) 9284 5426
 - E-mail: admin@catalystmetals.com.au; or
- (b) your stockbroker or professional adviser.

CATALYST METALS LIMITED

DIRECTORS STATEMENT

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of Catalyst Limited
on 5 May 2017

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Bruce Kay
Director

6. DEFINED TERMS

In this Prospectus, the following words have the following meanings unless the context requires otherwise:

Applicant	a person that makes an Application
Application	an application for New Shares offered under this Prospectus in accordance with the terms and conditions of this Prospectus.
Application Form	the Application Form accompanying the paper form of this Prospectus (available on request to the Company), or the electronic application form available through the Raisemetrex web-site.
Application Money	the money payable for an Application, being the number of New Shares applied for multiplied by \$0.50.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited or the securities exchange operated by ASX Limited (as the context requires).
ASX Listing Rules	the official listing rules of ASX.
Board	the Directors of the Company acting as a board.
Business Day	has the meaning in the ASX Listing Rules.
Closing Date	5.00 pm (Perth time) on 31 August 2017, or such other date determined by the Directors in their absolute discretion.
Company or Catalyst	Catalyst Metals Limited (ACN 118 912 495)
Corporations Act	Corporations Act 2001 (Cth).
Directors	the directors of Catalyst.
Eligible Investor	an Eligible Shareholder or a new investor that is a resident of Australia or New Zealand.
Eligible Shareholder	an existing Shareholder with a registered address in Australia, New Zealand, Singapore or Hong Kong on the Record Date.
Four Eagles Gold Project	the project comprising exploration licences EL 4525, EL 5295 and EL 5508, located near Bendigo in Victoria, with EL 4525 being subject to an application for conversion to a retention licence.
Marketable Parcel	a parcel of Shares worth at least \$500.
New Share	a Share offered under this Prospectus.
Offer	the offer of up to 3 million New Shares at \$0.50 each to raise up to \$1.5 million on the terms and conditions set out in this Prospectus.
Offer Period	19 May 2017 to the Closing Date.
Option	an option to subscribe for a Share.
Prospectus	this prospectus dated 5 May 2017 under which the Offer is being made.

CATALYST METALS LIMITED

Raisemetrex	Raisemetrex Pty Ltd ACN 609 258 595 (see section 5.6 of this Prospectus for further details).
Record Date	5.00 pm (Perth time) on 5 May 2017.
Services Agreement	the services agreement with Raisemetrex and Equity West Securities Pty Ltd described in section 5.6 of this Prospectus.
Share	a fully paid ordinary share in the capital of Catalyst.
Shareholder	a registered holder of Shares.
Tandarra Gold Project	the project comprising exploration licence EL 4897, located near Bendigo in Victoria