



ASX ANNOUNCEMENT

14 OCTOBER 2019

PARALLEL GOLD ZONE CONFIRMED BY DIAMOND DRILLING AT TANDARRA GOLD PROJECT

- Results received for six diamond drill holes testing depth repetitions of gold mineralisation on the Tomorrow Gold Zone at the Tandarra Gold Project
- Highlight intersections include:
 - 7.0m @ 5.4g/t Au from within a broader interval of 14.6m @ 3.0g/t Au from 102.4m in DDT020
 - 0.4m @ 243g/t Au from 180.0m in DDT020
 - 3.0m @ 4.7 g/t Au from 118m in DDT023
- New parallel gold zone confirmed between 30 and 50 metres below the main Tomorrow Zone mineralisation over a strike-length of 300 metres that remains open to the north and south. This zone now includes previously reported intercepts:
 - 24.4m @ 4.2g/t Au including 6.0m @ 14.3g/t Au in RCT249
 - 16.0 metres @ 1.83g/t Au in DDT018
- The 0.4m @ 243g/t Au intercept occurs in a deeper prospective sandstone unit 100 metres below previously known mineralisation and may indicate the making of an additional parallel lode repeat
- Follow-up drilling planned for early 2020

Catalyst Metals Limited (**Catalyst**) (ASX: **CYL**) and Navarre Minerals Limited (**Navarre**) (ASX: **NML**) are pleased to announce diamond drill results confirming a new gold-mineralised zone parallel to and below the main Tomorrow Zone at Tandarra. The diamond drilling was a follow-up program to a potential new mineralised position first inferred from previous exploratory reverse circulation and diamond drilling (Refer to Catalyst ASX announcement dated 1 July 2019).

The Tandarra Gold Project is situated along the Whitelaw Fault, about 40 kilometres north of Bendigo (Figure 1). The Whitelaw Fault is considered to be a major structural control of gold mineralisation at Bendigo, extending northwards to the Murray River (Figure 1). The vertical "stacking" or repetition of gold-mineralised horizons is a characteristic of auriferous quartz reef systems both at Bendigo and the Fosterville goldfields. The demonstration of repeated zones of gold mineralisation enhances the economic potential of Tandarra.

The Tandarra Gold Project comprises Retention Licence RL006660, which is owned in joint venture by Catalyst (51%) and Navarre (49%) (Figure 1). Catalyst is manager of the joint venture.

TOMORROW ZONE DIAMOND DRILLING

At Tandarra, the prospective folded meta-sedimentary rocks of the basement play host to two lines of gold mineralisation, equivalent to those which host the Bendigo gold deposits. The most advanced prospect is the Tomorrow Zone which is concealed beneath a 20-40 metre thick blanket of younger, unconsolidated sediments of the Murray Basin.

In 2018 the Tandarra joint venture completed diamond drill holes DDT010 to DDT018, to test for deeper structures beneath the centre of the main Tomorrow Zone mineralisation and in the up-plunge direction to the north (Figure 2). Encouraging mineralisation was reported, particularly from the southernmost hole DDT018 (Figure 2) (supported by intersections in RC drilling in 2019 (in particular RCT249). Refer to Catalyst ASX announcement dated 1 July 2019)

The 2019 Tandarra diamond drilling program targeted these interpreted stacked repetitions on traverses 100 metres to the north and 100 metres and 250 metres to the south of the DDT018 and RCT249 section. Of six drill holes completed (Figures 2 and 3), four effectively tested the target. The prospective target is a sandstone unit dissected by west-dipping faults as indicated in the cross-section (Figure 4). Gold mineralisation of variable grade occurs in quartz veins and masses within the sand units, around their margins and in the cross-cutting fault zones. As indicated on the cross-section, low gold tenor mineralised quartz (typically 0.1 to 1.0g/t Au) encloses and extends well beyond the limits of intersections of reportable grade, indicating potential for more substantial gold accumulation within this system

Best intersections returned from the six hole program as follows:

- **7.0m @ 5.41g/t Au from 110m down hole in DDT020, within a broader zone of 14.6m @ 2.96g/t Au**
- **0.4m @ 243g/t Au from 180m down hole in DDT020**
- **3.0m @ 4.74g/t Au from 118m down hole in DDT023**

These complement the following intersections in the uppermost blocks of the fault-dissected sandstone, as previously reported from DDT018 and RCT249 (Refer to Catalyst ASX announcements dated 13 July 2018 and 26 February 2019)

- **16.0 metres @ 1.83g/t Au from 148 metres down hole in DDT018**
- **24.0 metres @ 4.20g/t Au including 6.0 metres @ 14.30g/t Au from 100 metres in RCT249**
- **8.0 metres @ 3.62g/t Au including 1.0 metres @ 22.1g/t Au from 149 metres in RCT249**
- **6.0 metres @ 2.70g/t Au including 1.0 metres @ 14.0g/t Au from 166 metres in RCT249**
and in DDT016 at similar depth, on the same line as DD020 in the stratigraphically overlying sandstone
- **10.0m @ 4.78g/t including 1.0m @ 30.6g/t Au from 107 metres down hole in DDT016**
(Refer to Catalyst ASX announcement dated 27 April 2018).

More closely spaced drilling will be required to define the extent and continuity of mineralisation within this ~300-metre long zone of highly prospective, gold-mineralised geology in the depth interval 100-200 metres below surface, which remains open to both north and south.

About 100 metres below the above mineralised zone, a deeper segment of the target sandstone (Figure 2), returned the following narrow high-grade intercept potentially indicating an additional parallel mineralised zone:

- **0.4m @ 243g/t Au from 180m down hole in DDT020**

Assay results reported from DDT019-DDT024 are based on 25gm aqua regia leach and ICPMS¹ analysis. Confirmatory assays of larger samples by bulk cyanide leach are in progress, but historically have been confirmatory of ICPMS results.

¹ ICPMS = Inductively Coupled Plasma Mass Spectroscopy (ICPMS)

Mr Bruce Kay, Catalyst's Technical Director, stated, "The diamond drilling at Tandarra has confirmed the presence of a deeper parallel zone of gold mineralisation which is about 300 metres long but still requires more diamond drill testing along the plunge to the north and south."

Full location data on the diamond drill holes are shown in Appendix 1 on Tables 1a and 1b and a Summary of Sampling Techniques and Reporting of Exploration Results according to the JORC Code 2012 Edition are also tabulated in Appendix 1. Some previous intersections shown on Figure 2 have been reported under the 2004 JORC Code. Maximum gold values in each hole are tabulated in Tables 1c and 1d of Appendix 1.

Next Steps

Planning for the next phase of drilling is underway and is expected to commence following completion of harvesting operations, typically in December.

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For further information contact:

Catalyst Metals Limited
Bruce Kay
Technical Director
Telephone: +61 400 613 180

Navarre Minerals Limited
Geoff McDermott
Managing Director
+61 3 5358 8625

JORC Reporting of Historic Exploration Results

Although Catalyst was not involved in previous exploration at the Tandarra Gold Project, it has elected to update the information to comply with the JORC 2012 Code. The results had been publicly reported by Leviathan Resources Pty Ltd (ASX code LVR) (December 2004 to January 2007), Perseverance Corporation Limited (ASX code PSV) (January 2008 to March 2011) and Navarre Minerals Limited (ASX code NML) (March 2011 to September 2014) in numerous announcements during the stated periods under the JORC 2004 Code. Catalyst has limited knowledge on how the data was collected but has had to make assumptions based on the available historic data generated by these companies.

Full location data on the Tandarra drill holes and a Summary of Sampling Techniques and Reporting of Exploration Results according to the JORC Code 2012 Edition were included in Catalyst's ASX announcements dated 1 September 2014, quarterly report dated 31 July 2014 and 29 July 2015.

Competent person's 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.

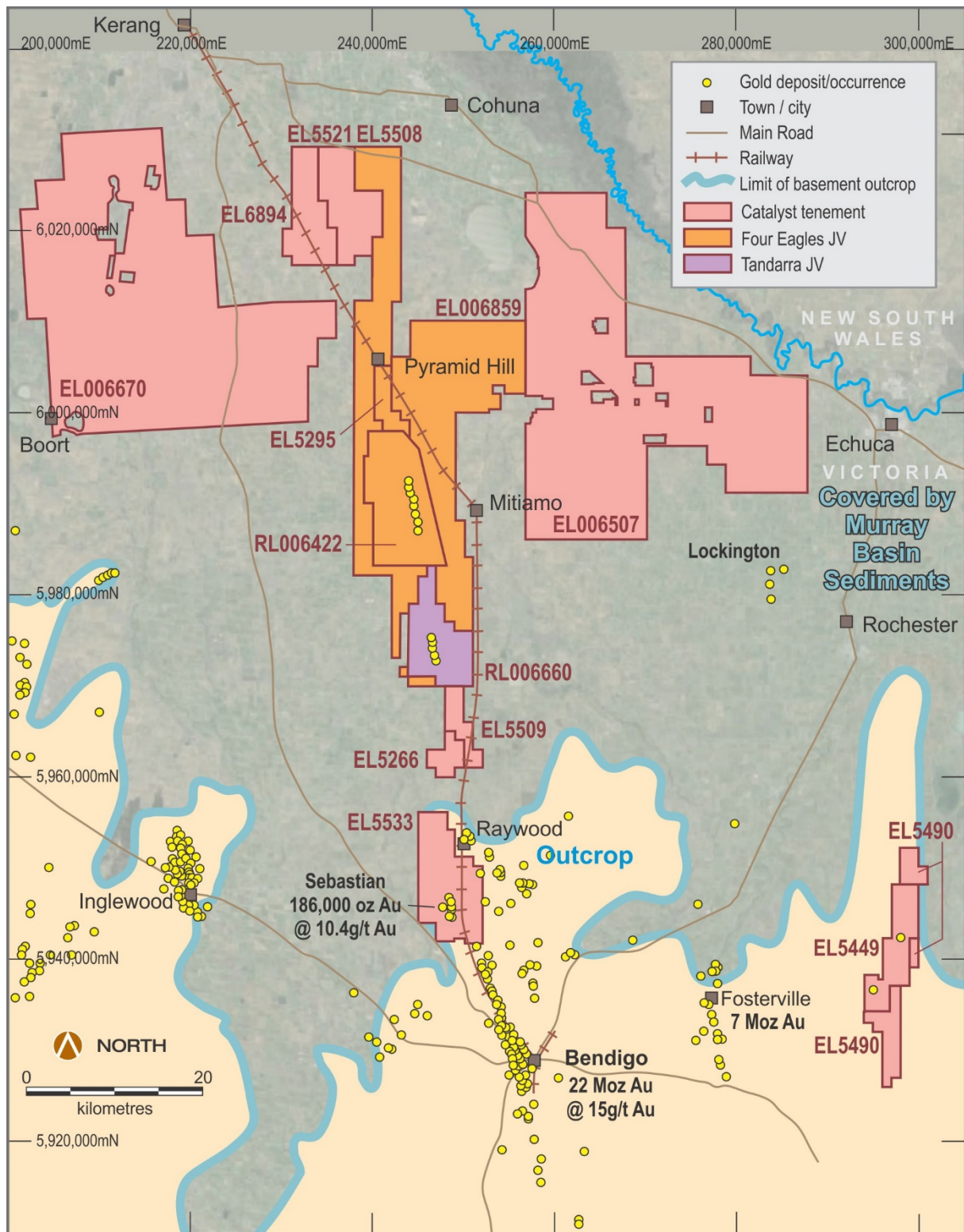


Figure 1: Location map of Tandarra JV Gold Project RL006660, shown in purple.

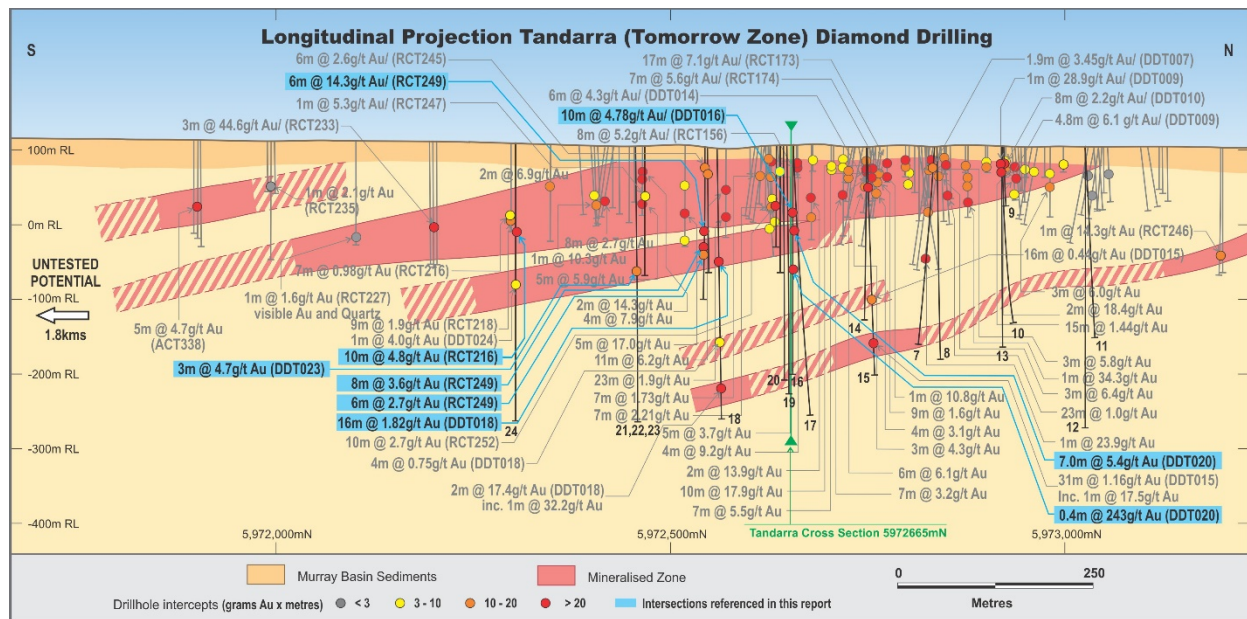


Figure 2 Longitudinal Projection Tomorrow Zone Gold Mineralisation showing recent diamond drill holes and intersections in parallel zone (highlighted in blue)

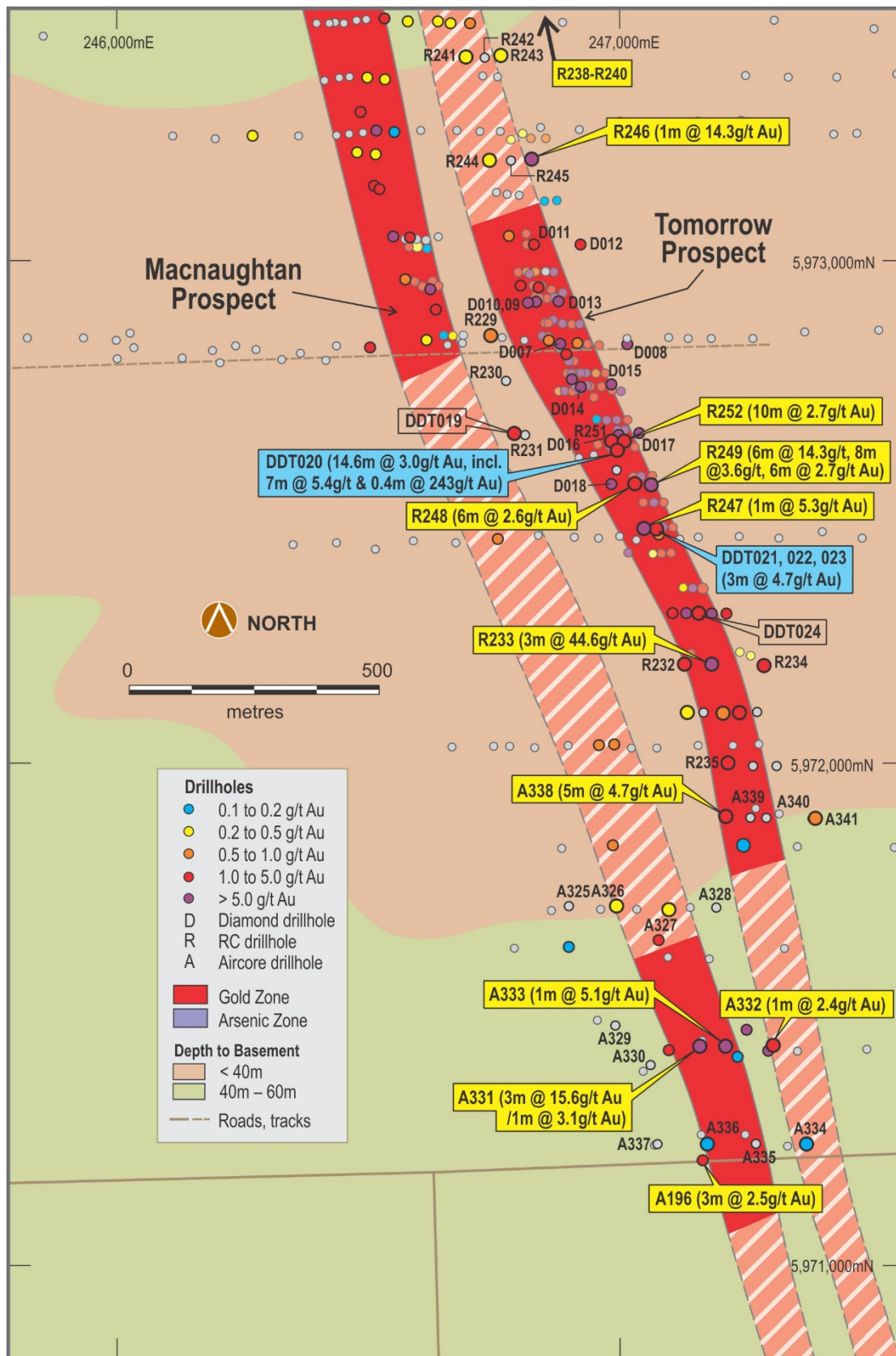


Figure 3: Plan View of Tomorrow and Macnaughtans Gold Zones showing location of 2019 drill holes and significant intersections reported

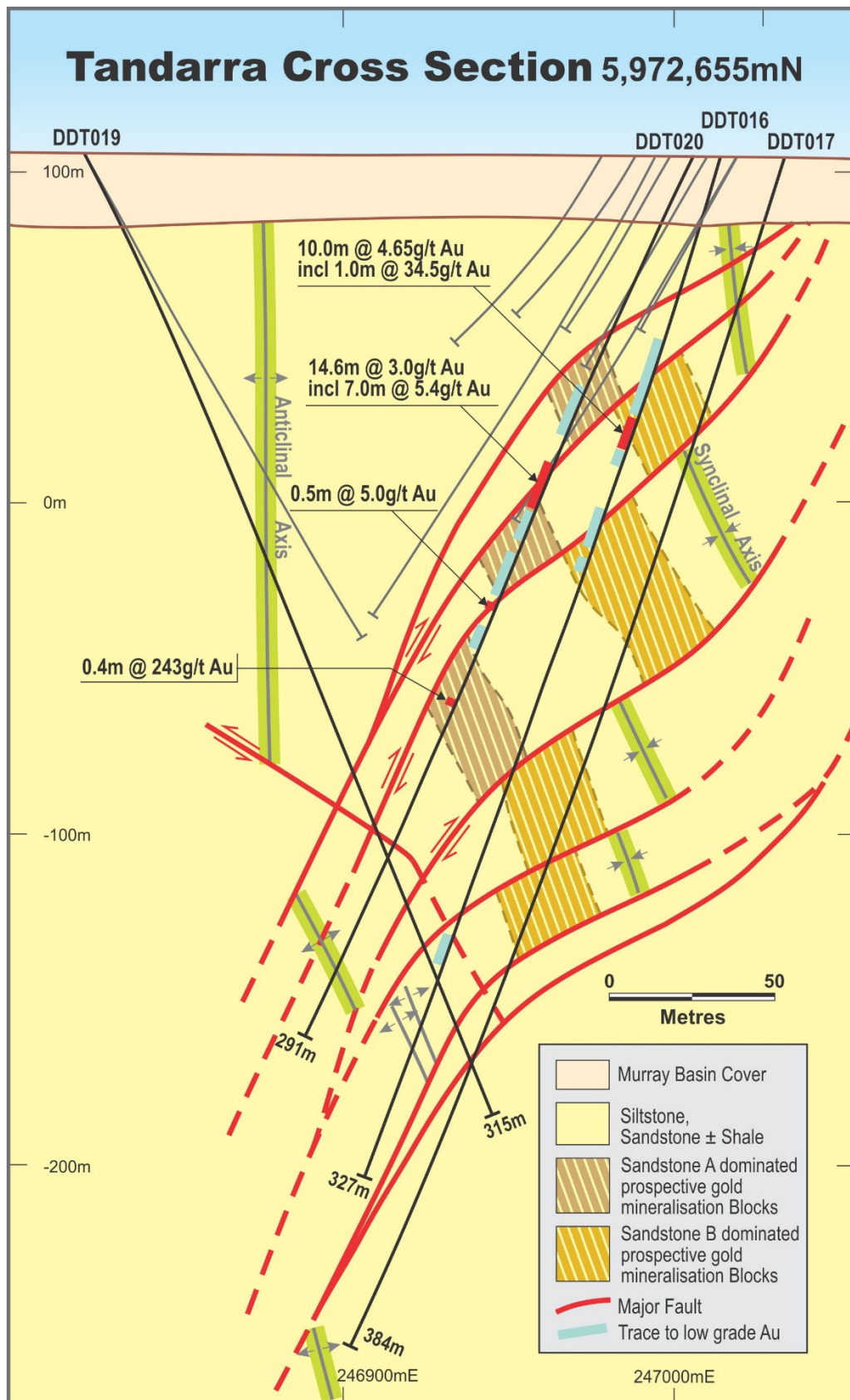


Figure 4: Schematic cross-section through the Tomorrow prospect showing potential “stacking” of gold mineralisation

APPENDIX 1: DIAMOND DRILLING DATA

Table 1a Diamond Drill Hole Collars

Hole	Easting GDA	Northing GDA	RL	Depth_EoH	Dip	Grid Azimuth	Comments
DDT019	246822.33	5972654.778	105.5	314.8	-65.8	100	Hole failed to intersect target
DDT020	247006.332	5972654.293	106.1	291.1	-65.2	270	
DDT021	247078.128	5972458.811	106.1	223.7	-66.8	270	
DDT022	247079.006	5972445.819	106.2	122.6	-66.6	270	Hole failed to intersect target
DDT023	247069.176	5972445.603	106.2	284.3	-66.1	270	
DDT024	247124.771	5972316.045	106.2	329.8	-67.6	270	

Table 1b Significant Drill Assay Results Diamond Drilling using Aqua Regia 25gm Sample

Hole	From	To	Interval	Au_OG43
DDT019	250	251	1.0	2.50
DDT020	86	90.3	4.3	1.43
DDT020	102.4	117	14.6	2.96
Including	110	117	7.0	5.41
DDT020	121.5	122	0.5	0.53
DDT020	126	126.9	0.9	3.02
DDT020	132	135.8	3.8	0.57
DDT020	141	141.1	0.1	0.59
DDT020	148	148.5	0.5	5.02
DDT020	158	162	4.0	0.64
DDT020	180	180.4	0.4	243.0
DDT020	240	241	1.0	1.06
DDT021	111	111.9	0.9	0.50
DDT021	134	134.9	0.9	0.68
DDT021	142	143	1.0	3.90
DDT021	146	147	1.0	0.55
DDT021	184	187	3.0	1.02
Including	186	187	1.0	2.54
DDT021	205	205.7	0.7	1.59
DDT023	118	121	3.0	4.74
DDT023	173	174.7	1.7	1.30
DDT023	182	183	1.0	0.58
DDT024	112.1	114	1.9	0.72
DDT024	202	203	1.0	4.00
DDT024	248	249	1.0	0.51

JORC 2012 Edition, Table 1 Checklist Diamond Drilling

Diamond Core Sampling Techniques and Data Criteria	Explanation
Sampling techniques	• All basement material collected in commercially available diamond core trays. The cover alluvium is not the subject of resource development and is not sampled. • Diamond core is cleaned and marked metre-by-metre • The geologist determines which metres are to be sampled in consultation with criteria such as quartz vein development, sulphide occurrence, and visible gold occurrence. • The selected one-metre intervals for sampling are cut with a diamond-impregnated saw, with half being collected in a calico bag for laboratory submission, the remaining half being transferred back to the source core tray for storage.
Drilling techniques	• Holes are initiated using 120mm blade drilling, with cuttings lifted by either air or drilling mud to the base of cover. PVC casing is installed to preserve the collar condition for subsequent drilling. • Pneumatic precollar drilling utilises a truck-mounted drill rig; 400psi 900cfm compressor and booster; auxiliary compressor where dictated by water in-flows. Mud drilled precollars are achieved by a diamond drill rig. • At end-of-precollar depth, the rod string is removed from the hole and steel HWT or PQ casing is installed and shoed into the base-of-hole. • HQ triple tube barrel and HQ drill rods are installed to precollar depth. Beyond this depth the hole is progressed to final depth with DDH drilling techniques, generally employing three-metre barrel and rods. Where ground conditions are poor, 1.5-metre rods are employed to alleviate core loss at tube extraction.
Drill sample recovery	• Core runs are documented by the driller, and recoveries measured by the geologist to ensure recovery is known and strategies implemented to maximise recovery (target being above 85%). • The driller is under instruction to monitor recovery and rectify core loss through adjusting drill rig operation. • All diamond core is drilled using triple tube equipment to assist in delivering acceptable core recovery.
Logging	• Diamond core is geologically logged at one-metre intervals for lithology, alteration, quartz veining and to a standard acceptable for subsequent interpretation for use in estimation. • Geological logging aspects are qualitative with exception of quartz vein content which is estimated semi-quantitatively • Drill core structural measurements are logged prior to cutting/sampling. Drill core orientations are performed on each core run, and where successful are applied to structural measurements to provide known orientations of structures. Where orientations are not successful, the S1 cleavage is exploited as a proxy to orientation; in which case the database is flagged as such. • All logged intervals represent entire one-metre sample segregation intervals
Sub-sampling techniques and sample preparation	• Lab submission samples collected as described above. No quarter coring is required. • Samples dispatched to commercial assay laboratory (Catalyst have used ALS Pty Ltd exclusively); samples crushed, dried, and pulverised in entirety, with 25g aliquot split for analysis (laboratory repeat splits historically demonstrate acceptable reproducibility and hence accuracy for this mineralisation)

Diamond Core Sampling Techniques and Data Criteria	Explanation
Quality of assay data and laboratory tests	• Gold assay determined by ICPMS via aqua regia digestion (ALS code Au-OG43). Experience has shown this method to be applicable for fine grained gold population of the mineralisation due to the completion of digestion. There is a technical constraint in that coarse-grained gold may not completely enter solution resulting in conservative assay. • Laboratory and client certified reference materials (3 x standards) are implemented every 20th sample.
Verification of sampling and assaying	• Data management procedures are under development. Data management has been performed by an experienced individual and not by several individuals. • There has been no verification of significant intersections by independent nor alternative company personnel. • A component of the DDH drilling program is to provide drill hole-twin verification of significant RC drill hole intersections within the known Boyd's Dam mineralisation. • Drill hole sampling and geological data logged electronically and imported electronically into the master database. • There have been no adjustments to data as provided by the commercial assay laboratory.
Location of data points	• All drill hole location coordinates are measured using differential GPS to MGA94 Zone 55, and AHD estimated from terrain model created from publicly available land survey data • Collar locations to within an estimated precision of 10mm horizontally and 20mm vertically. • All drill holes are downhole surveyed. Drilling orientation established prior to collaring with clinometer and compass.
Data spacing and distribution	• DDH drill holes drilled at a section spacing of approximately 100 metres. • DDH drill holes were targeted to intersect prospective structural positions some 50m to 250m beneath the known upper mineralisation. • This spacing is designed to be of a sufficient density to gain an understanding of the structural framework at depth, and to allow subsequent infill drill hole targeting. • For the purpose of the reporting of exploration results, assays are aggregated to reflect continuously sampled zones of significant anomalism for gold.
Orientation of data in relation to geological structure	• Drill hole sections were aligned approximately 20 degrees from the strike of mineralisation. Holes are generally inclined 65 - 70 degrees to the west or east to provide cross-strike investigation within holes and to establish continuity of mineralisation in the vicinity of the host anticline
Sample security	• All samples are controlled by the responsible geologist and stored in secured facility prior to despatch to the laboratory. • Samples are transported directly to laboratory by a commercial transportation contractor with chain-of-custody protocols in place. • Sample number receipt information from laboratory cross-referenced and rationalised against sample number dispatch information.
Audits or reviews	• No processes or data used in developing the release of exploration results have been subject to audit or review by non-company personnel or contractors so as to reduce costs and timelines for reporting. Catalyst Metals Limited currently reserve this process for release of Mineral Resource and Ore Reserve estimates.

Reporting of Exploration Results Criteria	Explanation
Mineral tenement and land tenure status	• The Tandarra Gold Project is located within RL006660 in the vicinity of Dingee Victoria, owned in joint venture by Navarre Minerals Ltd (49%) and operator, Catalyst Metals Ltd (51%). • The Retention Licence was approved on 2 November 2018 for a period of ten years. It replaced EL4897. • Exploration activities were confined to free-hold farmland and road-side easements.
Exploration done by other parties	• None in the area drilled.
Geology	• Gold-arsenic bearing narrow veins in Ordovician sandstone in the vicinity of a regional-scale anticline. • Deposit assessed as being northern extension of Bendigo Goldfield, with potential for post-mineralisation influence/redistribution by proximal granitic intrusion. • Potential for some supergene gold enrichment in paleo-weathering profile.
Drill hole Information	• Appendix 1 Table 1a: Collar location coordinates, downhole depths, azimuths, declinations. • Appendix 1, Table 1b: Downhole intervals of reported gold grades.
Data aggregation methods	• Drill core was sampled at one-metre intervals, or less in instances of core loss. • No top-cutting applied to assay data. • Zones of significance identified as those with assays in excess of 0.5g/t and internal dilution of two consecutive metres or less. • As a conservative measure, core loss was assumed to be of zero gold content • Reported zones are continuous, with no sample or assay gaps.
Relationship between mineralisation widths and intercept lengths	• The strike of mineralisation is demonstrated to be generally 20 degrees west of grid north. • The dip of mineralisation is expected to be sub-vertical and sub-parallel with bedding as was the case in the Bendigo Goldfield. • Due to the complexity of slate belt gold mineralisation, the true width of mineralisation has not been resolved. As such, significant mineralised intersections have been reported as downhole intervals.
Diagrams	• Figures 3 and 4 show position of key drill holes in plan and longitudinal projection. Table 1a lists all hole collar positions.
Balanced reporting	• All drilling inclusive of holes which did not contain significant intersections are included in Table 1b.
Other substantive exploration data	• No other exploration results that have not previously been reported, are material to this report.
Further work	• DDH drilling is anticipated to resume at Tandarra in late 2019 or early 2020, with the intention to provide further along strike coverage of the deeper mineralisation.