ABN 54 118 912 495

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2014

CATALYST METALS LIMITED

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CORPORATE DIRECTORY

DIRECTORS

Stephen Boston (Non-Executive Chairman)
Robin Scrimgeour (Non-Executive Director)
Gary Schwab (Non-Executive Director)
Bruce Kay (Non-Executive Director)

COMPANY SECRETARY

Frank Campagna

REGISTERED OFFICE

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West Perth, Western Australia 6005

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AUDITORS

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Perth, Western Australia 6000

SHARE REGISTRY

Security Transfer Registrars Pty Ltd
770 Canning Hwy
Applecross, Western Australia 6153

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Facsimile:	+618 9315 2233
Email:	registrar@securitytransfer.com.au
Website:	www.securitytransfer.com.au

STOCK EXCHANGE LISTING

Catalyst Metals Limited is listed on ASX Limited
Home Exchange – Perth
ASX code: CYL

CHAIRMAN'S REVIEW

Dear Shareholder,

The 2014 financial year began with the announcement that on the 15 August 2013 the Company had issued 250,000 ordinary fully paid shares in the Company and paid $30,000 to Providence Gold and Minerals Pty Ltd, when the Company became entitled to a 50% direct interest in the Four Eagles Gold Project.

On the 31 March 2014 the Company announced that it had signed a Term Sheet summarising a Farm-in Agreement with Navarre Minerals Limited ("Navarre") which would enable it to earn a 51% equity interest in the Tandarra Project (EL 4897) which is located north of Bendigo in Victoria (and directly south of and adjacent to the Four Eagles Gold Project). This transaction has resulted in the regional consolidation of two of the most prospective greenfields gold projects in Victoria and means that the entire 70 kilometre strike length of the Bendigo North Goldfield will now (for the first time ever) be under the control of one manager. In addition, two new exploration licenses were also applied for in order to further consolidate the ground holdings of the Company into a contiguous area of about 800 square kilometres. A $500,000 Placement was conducted in conjunction with this transaction via a very supportive long standing shareholder of the Company, Mr Barry Drill.

In May 2014 the Company was pleased to announce that it had intersected further high grade gold mineralisation (3.0metres @ 59.0g/t Au and 3.0 metres @ 7.0g/t Au) at the Discovery Prospect (located within the Four Eagles Gold Project), via an aircore drilling programme.

In June 2014, a binding Heads of Agreement was executed with Navarre which formalised the previously announced Farm-in. At the end of June 2014 an additional $200,000 in equity funds was received from the exercise of 1,000,000 unlisted $0.20 options. These options were exercised by Mr Bruce Kay and two very valuable and loyal consultants of the Company – whose previous, current and continued support will be greatly valued by the Company not only through their day to day efforts – but now also as shareholders of the Company.

Subsequently, on the 12 September 2014, the Company announced that all conditions precedent to the Heads of Agreement with Navarre had been satisfied and completion had occurred - and in accordance with the terms of the agreement, Catalyst issued 250,000 ordinary fully paid shares to Navarre and made a cash payment of $50,000.

This year the Board would especially like to acknowledge our Joint Venture partner Mr Tom Burrows who after many years of painstaking work made the original discovery of high grade gold under soil cover at the Four Eagles Gold Project in 2010. He has tirelessly assisted the Company with his great wealth of knowledge and his cheerful and collaborative approach to any matter that has needed his attention as and when required.

The Board again acknowledges and would like to thank all of its shareholders for their continuing support of the longer term ambitions of the Company as it endeavours to pursue the joint venture objective of the discovery of a major virginal gold discovery under soil cover north of Bendigo.

It goes without saying that your Board continues to remain committed to adding value for the benefit of all shareholders as it now looks towards 2015 and the opportunities that it will undoubtedly bring.

Stephen Boston
Chairman

30 September 2014

DIRECTORS' REPORT

The Directors of Catalyst Metals Limited present their report on the consolidated entity for the year ended 30 June 2014.

DIRECTORS

The names of the Directors in office at any time during or since the end of the financial year are:

Stephen Boston
Robin Scrimgeour
Gary Schwab
Bruce Kay

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

Frank Campagna

FINANCIAL POSITION

The net assets of the Group are $782,030 as at 30 June 2014 (2013: $877,483).

CORPORATE STRUCTURE

Catalyst Metals Limited is a company limited by shares that is incorporated and domiciled in Australia.

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was mineral exploration and evaluation. There was no significant change in the nature of the activities during the year.

RESULTS OF OPERATIONS

The operating loss after income tax of the Group for the year ended 30 June 2014 was $1,023,864 (2013: $1,007,381).

DIVIDENDS

No dividend has been paid during or is recommended for the financial year ended 30 June 2014.

REVIEW OF OPERATIONS

Exploration by Catalyst Metals Limited (Catalyst) during the year was again focussed on the Four Eagles Gold Project (**Four Eagles**) in Victoria where an aircore drilling programme in May 2014 intersected new zones of high grade mineralisation and significantly extended the strike length of the Discovery Zone on the Eagle 2 Structure. The Company has further consolidated its land holdings in the Bendigo North Goldfield by new Exploration Licence applications and the signing of a Heads of Agreement with Navarre Minerals Limited. This means that the Company now has management of the entire 65 kilometre strike length along the favourable Whitelaw Fault (Figure 1).

No field work was undertaken at the Minnie Creek tungsten and molybdenum project in Western Australia or at the Everton molybdenum project in Victoria and the Company has made the decision to relinquish the Western Australian licences.

Four Eagles Gold Project (Victoria)

In December 2010, Catalyst entered into a heads of agreement with private company, Providence Gold and Minerals Pty Ltd (**Providence**) to form a joint venture to further explore and develop the Four Eagles Gold Project (EL4525 and EL5295).

DIRECTORS' REPORT

REVIEW OF OPERATIONS (Continued)

The Four Eagles Gold Project is located generally along strike of the Bendigo Goldfield and west of the towns of Mitiamo and Raywood in central Victoria, extending from 20 to 70 kilometres north of Bendigo (Figure 1). In May 2013, Catalyst completed its initial expenditure obligations of $2.1million and had earned a 50% equity in the Four Eagles Gold Project. Providence has elected not to contribute to the next stage of expenditure so Catalyst has the right but not the obligation to earn a 75% equity for the further sole expenditure of $2.1 million before 20 January 2016 (subject to a Providence right to contribute after Catalyst has earned 60% equity).

At the end of the 2014 financial year, Catalyst had spent approximately $2.44 million on exploration at Four Eagles and will need to spend a further $500,000 to earn a 60% interest.

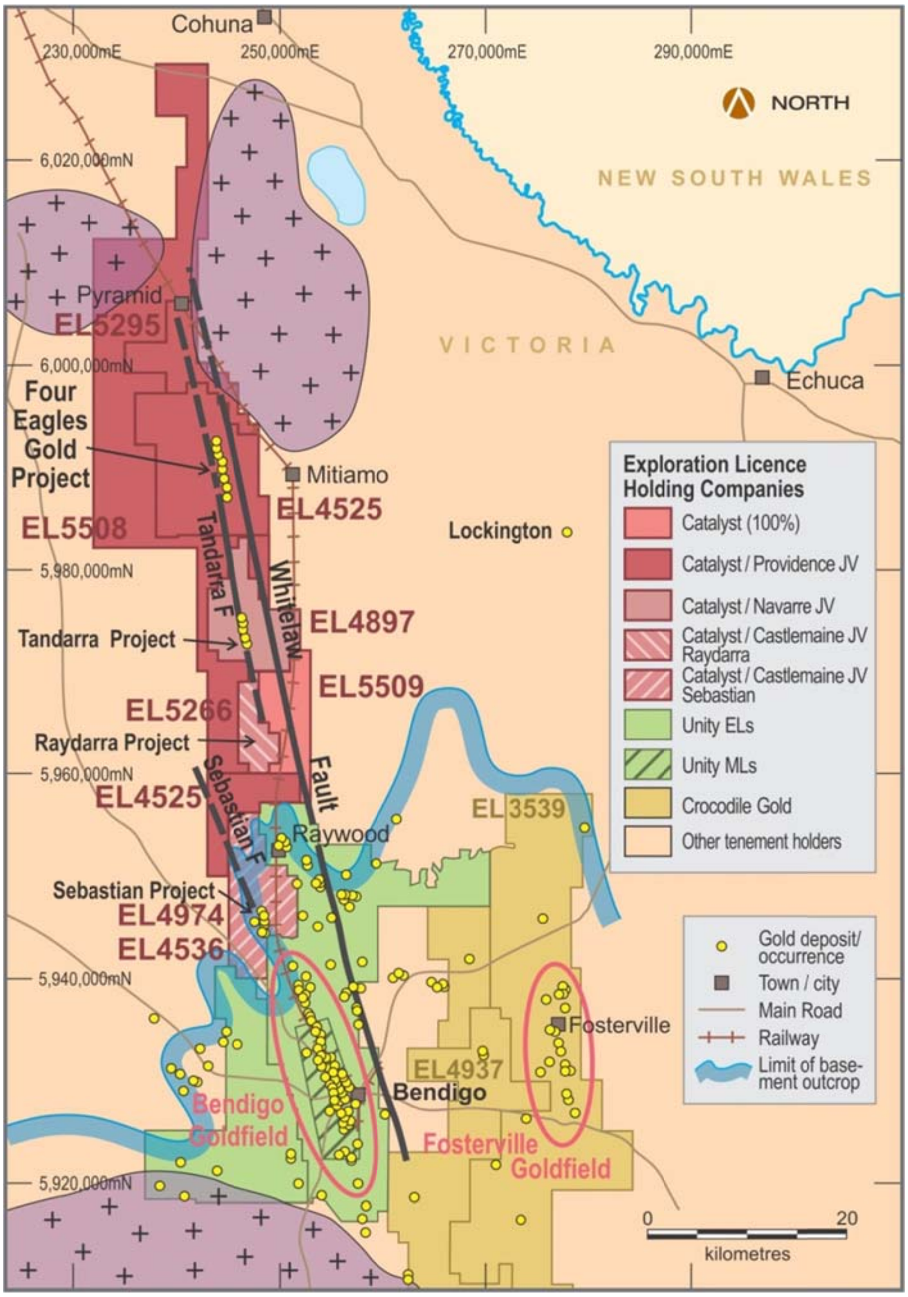


Figure 1 – Plan showing tenements under Catalyst management in the North Bendigo Gold Belt

DIRECTORS' REPORT

REVIEW OF OPERATIONS (Continued)

An aircore drilling programme was undertaken at Four Eagles in May 2014 with 28 holes being completed for a total metreage of 2,657 metres. The programme was focussed on the northern extension of the Discovery Prospect following the Eagle 2 Structure (Figure 2a).

Further high grade gold mineralisation was intersected about 1.7 kilometres north of the original high grade discovery hole FE328. Vertical aircore hole FE663 intersected **3.0 metres @ 59.0g/t Au from 102.0 metres** in a semi massive quartz vein just below the basement contact. Another totally separate sample from the same interval assayed **3.0 metres @ 7.0g/t Au** which suggests that coarse gold may be present in the area in association with a fine grained fraction**.**

These assays are from the bulk samples assayed by the Leachwell method which uses a total cyanide leach and AAS finish. Initial assays from the smaller 30 gram sample showed values of **95.6g/t Au and 2.7g/t Au** respectively.

It is very encouraging that all samples whether small or large contain good grade gold values once again supporting the premise at Four Eagles that the gold distribution is predominately finely divided. This is very different to the experience at Bendigo where most gold occurs in very coarse particles making assay repeatability difficult.

This high grade intersection is situated 1.7 kilometres north of the **Discovery Prospect hole FE328 which contained 6 metres @ 82.7g/t Au from 123 metres depth.** Other lower grade intersections in the 0.2 to 0.6g/t Au range and anomalous arsenic values show that the Discovery Prospect now extends for about 2.5 kilometres under cover (Figure 3) with several high grade values:

- **3.7m @ 4.7g/t Au including 0.8 m @ 17.5g/t Au (FEDD001)**
- **0.4m @ 8.4g/t Au and 0.75m @ 15.3g/t Au (FEDD007)**
- **0.4m @ 152g/t Au (FEDD008)**
- **6.0m @ 82.7g/t Au (FE328)**
- **1.5m @ 1.81g/t Au (FE326)**
- **3.0m @ 9.71g/t Au (FE380)**
- **3.0m @ 0.9g/t Au (FE584)**
- **3.0m @ 59.0g/t Au and 3.0m @ 7.0g/t Au (FE663)**
- **3.0m @ 0.55g/t Au (FE664)**

Full location data on the 28 holes drilled in 2014 was previously reported in Table 1 of the Catalyst Quarterly Report to 30 June 2014 and a Summary of Sampling Techniques and Reporting of Exploration Results according to the JORC Code 2012 Edition were also tabulated in Appendix 1 of that report. Previous intersections above and located on Figures 2a ,2b and 3 have been reported under the 2004 JORC Code.

All of the above intersections are considered to lie within the same Eagle 2 structural corridor however little information is known about strike and dip of the gold mineralisation. Angled diamond or reverse circulation drilling will be required to determine the orientation and continuity. Many of the intersections in the Discovery Prospect are associated with quartz veining which also limits the penetration ability of aircore drilling.

The 2014 drilling programme has confirmed the large gold footprint at Four Eagles which is about 6 kilometres by 2.5 kilometres in size and contains numerous intersections of high grade gold mineralisation. Three advanced prospects (Hayanmi, Boyd's Dam and Discovery) have now been defined but will require angled diamond or RC drilling to fully understand the nature of the mineralisation.

REVIEW OF OPERATIONS (Continued)

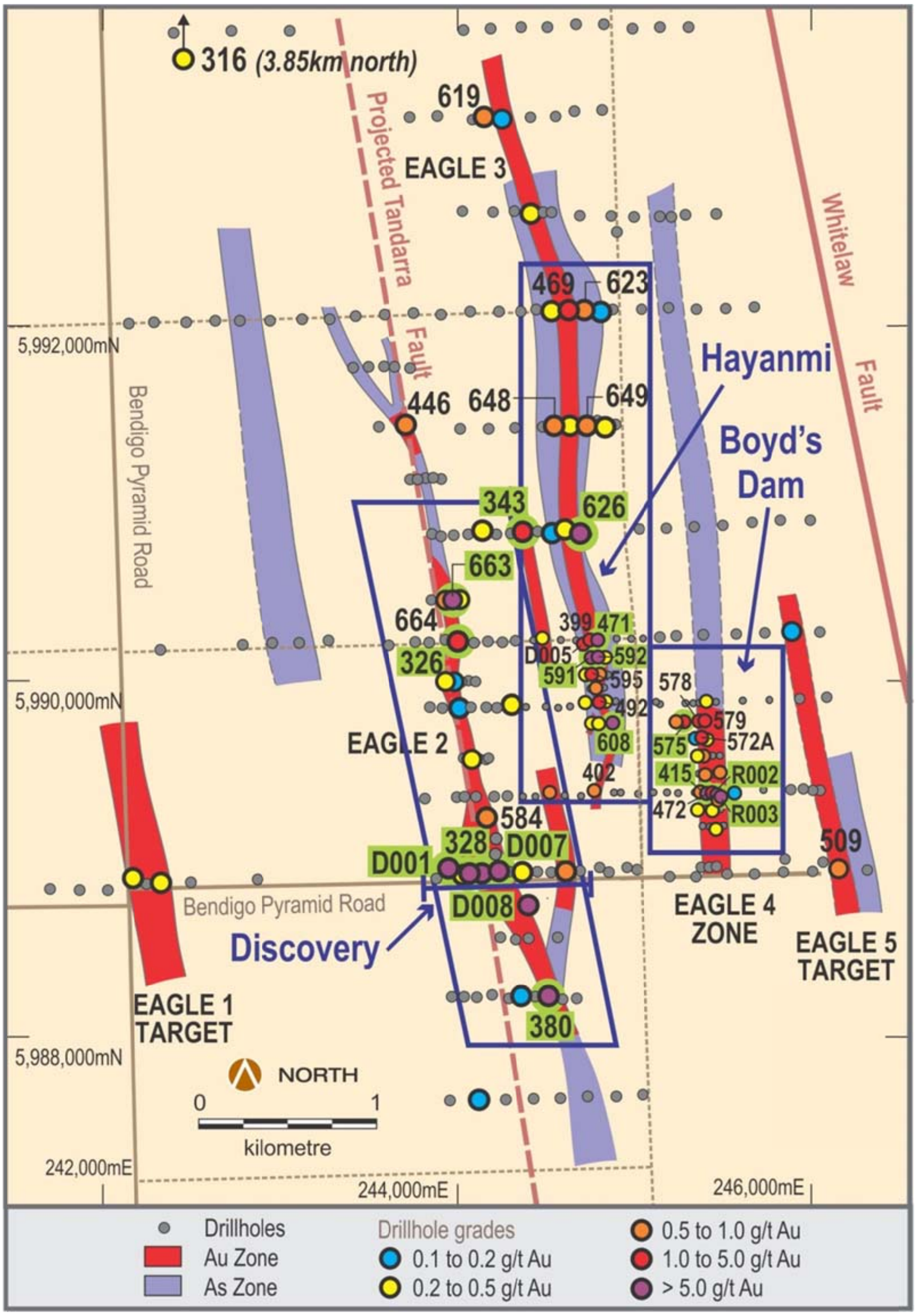
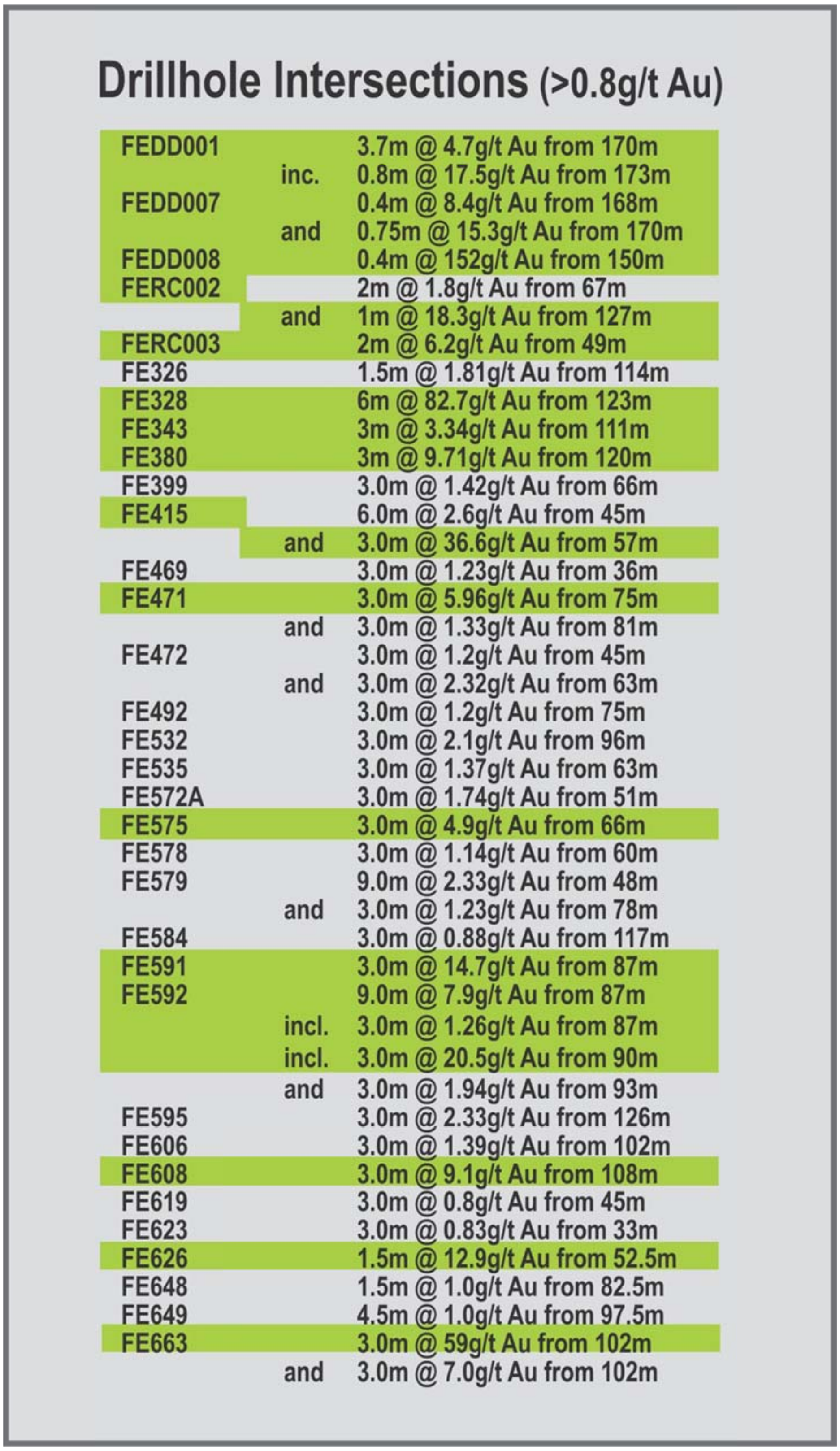


Figure 2a Plan of Four Eagles Gold Project showing drillholes and trends of gold mineralisation

DIRECTORS' REPORT

REVIEW OF OPERATIONS (Continued)



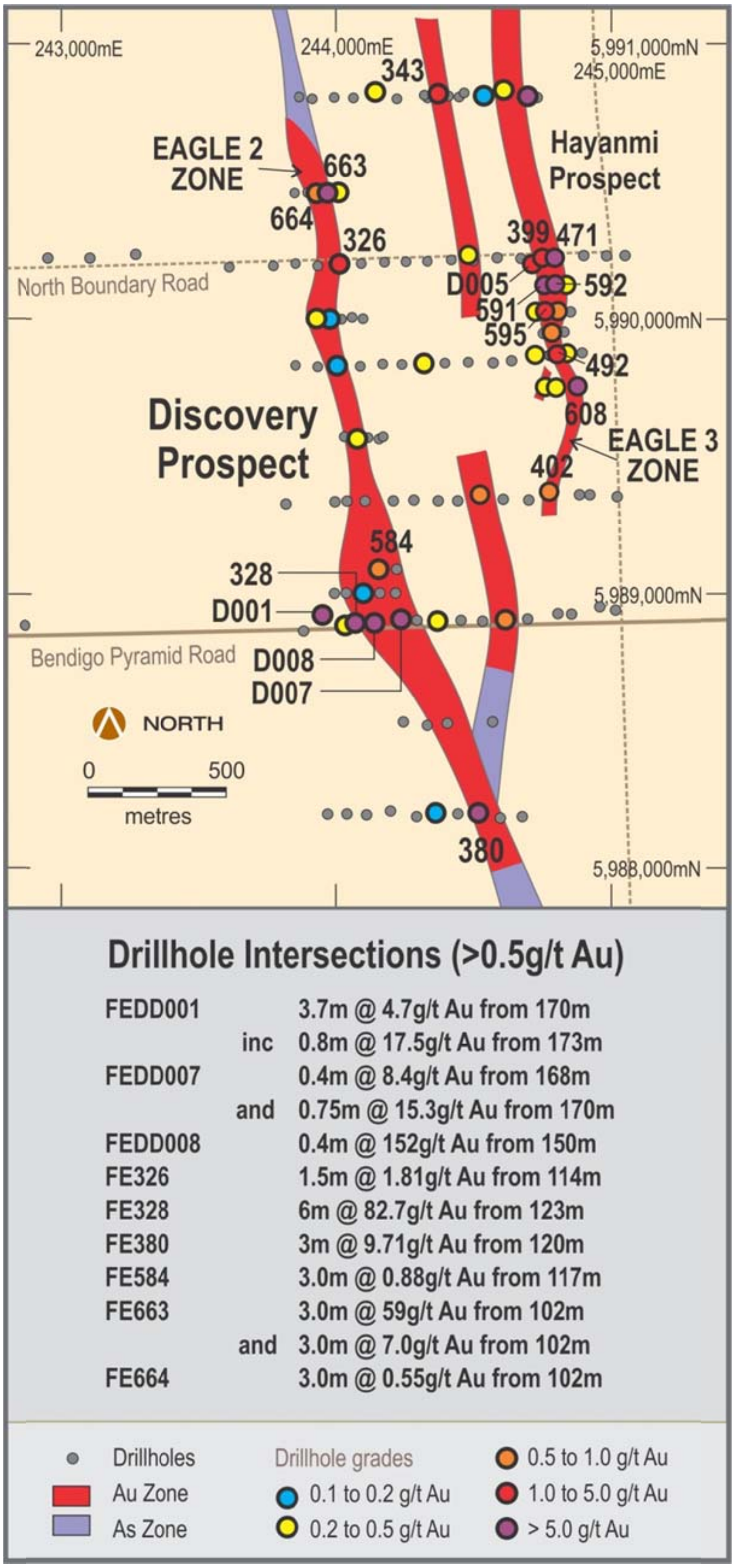
Drillhole Intersections (>0.8g/t Au)

FEDD001		3.7m @ 4.7g/t Au from 170m
	inc.	0.8m @ 17.5g/t Au from 173m
FEDD007		0.4m @ 8.4g/t Au from 168m
	and	0.75m @ 15.3g/t Au from 170m
FEDD008		0.4m @ 152g/t Au from 150m
FERC002		2m @ 1.8g/t Au from 67m
	and	1m @ 18.3g/t Au from 127m
FERC003		2m @ 6.2g/t Au from 49m
FE326		1.5m @ 1.81g/t Au from 114m
FE328		6m @ 82.7g/t Au from 123m
FE343		3m @ 3.34g/t Au from 111m
FE380		3m @ 9.71g/t Au from 120m
FE399		3.0m @ 1.42g/t Au from 66m
FE415		6.0m @ 2.6g/t Au from 45m
	and	3.0m @ 36.6g/t Au from 57m
FE469		3.0m @ 1.23g/t Au from 36m
FE471		3.0m @ 5.96g/t Au from 75m
	and	3.0m @ 1.33g/t Au from 81m
FE472		3.0m @ 1.2g/t Au from 45m
	and	3.0m @ 2.32g/t Au from 63m
FE492		3.0m @ 1.2g/t Au from 75m
FE532		3.0m @ 2.1g/t Au from 96m
FE535		3.0m @ 1.37g/t Au from 63m
FE572A		3.0m @ 1.74g/t Au from 51m
FE575		3.0m @ 4.9g/t Au from 66m
FE578		3.0m @ 1.14g/t Au from 60m
FE579		9.0m @ 2.33g/t Au from 48m
	and	3.0m @ 1.23g/t Au from 78m
FE584		3.0m @ 0.88g/t Au from 117m
FE591		3.0m @ 14.7g/t Au from 87m
FE592		9.0m @ 7.9g/t Au from 87m
	incl.	3.0m @ 1.26g/t Au from 87m
	incl.	3.0m @ 20.5g/t Au from 90m
	and	3.0m @ 1.94g/t Au from 93m
FE595		3.0m @ 2.33g/t Au from 126m
FE606		3.0m @ 1.39g/t Au from 102m
FE608		3.0m @ 9.1g/t Au from 108m
FE619		3.0m @ 0.8g/t Au from 45m
FE623		3.0m @ 0.83g/t Au from 33m
FE626		1.5m @ 12.9g/t Au from 52.5m
FE648		1.5m @ 1.0g/t Au from 82.5m
FE649		4.5m @ 1.0g/t Au from 97.5m
FE663		3.0m @ 59g/t Au from 102m
	and	3.0m @ 7.0g/t Au from 102m

Figure 2b: Four Eagles Gold Project showing intersections for Figure 2a

DIRECTORS' REPORT

REVIEW OF OPERATIONS (Continued)



Drillhole Intersections (>0.5g/t Au)

FEDD001		3.7m @ 4.7g/t Au from 170m
	inc	0.8m @ 17.5g/t Au from 173m
FEDD007		0.4m @ 8.4g/t Au from 168m
	and	0.75m @ 15.3g/t Au from 170m
FEDD008		0.4m @ 152g/t Au from 150m
FE326		1.5m @ 1.81g/t Au from 114m
FE328		6m @ 82.7g/t Au from 123m
FE380		3m @ 9.71g/t Au from 120m
FE584		3.0m @ 0.88g/t Au from 117m
FE663		3.0m @ 59g/t Au from 102m
	and	3.0m @ 7.0g/t Au from 102m
FE664		3.0m @ 0.55g/t Au from 102m

Figure 3: Plan of Discovery Prospect showing recent and historic drill holes

REVIEW OF OPERATIONS (Continued)

Catalyst Navarre Heads of Agreement

In June 2014, Catalyst executed a binding Heads of Agreement with Navarre Minerals Limited (ASX: NML) (Navarre) to enable Catalyst to earn a 51% equity interest in the Tandarra Gold Project (EL 4897) located north of Bendigo in Victoria. This transaction resulted in a regional consolidation of two of the most prospective greenfield gold projects in Victoria and means that the entire 65 kilometre strike length of the Bendigo North Goldfield will be under single management for the first time (Figure 1). The rationalisation will enable synergy benefits and shared technology to be realised in both exploration and development stages.

As part of the same transaction, Navarre will transfer to Catalyst its interests in two gold projects owned by Castlemaine Goldfields Limited (a subsidiary of LionGold Corp) (**Castlemaine**), which are subject to farm-in and joint venture arrangements between Navarre and Castlemaine. Navarre has earned a 51% interest in the Sebastian Project (EL 4536 and EL 4974) and is earning a 51% interest in the Raydarra Project (EL 5266). Navarre will receive a 1% net smelter royalty on Catalyst's entitlement to proceeds from future production from the Sebastian and Raydarra Projects.

Agreement terms

In order to earn its 51% equity interest in the Tandarra Gold Project (EL 4897), Catalyst will be required to spend $3 million on exploration during a four year period commencing from 12 September 2014, whereby Catalyst will undertake to assume future royalty obligations with Leviathan Resources Pty Ltd (**Leviathan**) (**Satisfaction Date**). The expenditure must be sufficient to maintain the tenement in good standing and be not less than $200,000 per annum. Within two years of the Satisfaction Date, Catalyst must spend at least $800,000 on the tenement and also generate a mineralisation report sufficient for the requirements of the Mineral Resources (Sustainable) Development Act 1990 (Vic)(MRSD Act) before 14 November 2015. Catalyst will also make the following payments to Navarre:

- On the Satisfaction Date, $50,000 and 250,000 fully paid ordinary shares in Catalyst; and
- On the first anniversary of the Satisfaction Date, issue 250,000 fully paid ordinary shares in Catalyst.

Castlemaine has signed a Deed of Assignment and Assumption to enable Navarre to assign all of its rights and obligations relating to the Castlemaine tenements under farm-in and joint venture arrangements. Navarre has already earned 51% equity in the Sebastian Project (EL 4536 and EL 4974) and a joint venture with Castlemaine has been established. Navarre has the right to earn a further 24% in these tenements by the expenditure of $300,000 before 20 February 2017.

On the Raydarra Project (EL 5266), Navarre has satisfied the minimum expenditure commitment of $100,000 but is required to spend a further $200,000 before 20 February 2015 to earn its 51% equity. Navarre also has the right to earn a further 24% by the expenditure of a further $600,000 before 20 February 2017.

Tandarra Gold Project (Victoria)

Catalyst has undertaken a technical review of historical data and updated the corporate presentation following the signing of the Heads of Agreement with Navarre. As shown on Figure 1, Catalyst now has an interest in tenements covering the entire gold belt potential of the Bendigo North area. The agreement with Navarre means that Catalyst shareholders will now directly benefit from any future gold discoveries that are made in this 65 kilometre long corridor.

Tandarra Data Review

A full review of the extensive database for these areas was commenced during the financial year and will provide the basis of future drilling programmes. High grade gold mineralisation has already been intersected on the Tomorrow and Macnaughtan Structures with the former structure hosting grades up to 20 g/t Au at basement depths of less than 20 metres. Depending on the continuity of mineralisation, this area could have potential for open pit mining.

REVIEW OF OPERATIONS (Continued)

JORC Reporting of Historic Navarre Exploration Results

Although Catalyst was not involved in the exploration at the Tandarra project, it has elected to update the previously published exploration results to comply with the JORC 2012 Code (refer ASX announcement dated 1 September 2014). 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 (ASX code NML) (March 2011 to current) in numerous announcements during the stated periods under the JORC 2004 Code. Catalyst has limited knowledge on how the data was collected and has had to make assumptions based on the available historic data generated by these companies.

Regional Exploration Potential at Tandarra

All historical aircore drilling from Leviathan and Navarre programmes have now been compiled and plotted on Figure 4a. This interpretation shows that most of the expenditure has been focussed on the Tomorrow and Macnaughtan Structures (the rectangular box area on Figure 4a) and other structures in the licence area have had limited drill testing. Several potential gold trends are shown on Figure 4a including the 7 kilometre strike length along the Tandarra Fault Zone north of the Tomorrow Prospect and several parallel structures to the east. These interpreted structural trends are enhanced by a review of anomalous arsenic values in the Leviathan data but many areas have no arsenic data because Navarre did not assay for this element A significant gold intersection was present in **aircore hole ACT 046 which assayed 1.83 g/t Au from 61 metres depth** in an area near the interpreted Whitelaw Fault. Another hole in the same area which still requires verification contained **1 metre @ 3.0g/t Au from 32 metres depth.** These intersections are totally untested to the north and south where basement depths are unknown but probably less than 50 metres. These regional targets will be tested by reconnaissance aircore drilling following the completion of the 2014 grain harvest.

The Tomorrow –Macnaughtans Area

This area shown on the rectangular inset box of Figure 4a contains most of the known mineralisation on the Tandarra property and probably accounts for a high proportion of the prior exploration expenditure. Most of the reverse circulation (RC), diamond and aircore drilling was undertaken within this restricted area. Aircore and RC drillholes within this area are shown with their intersections on Figures 4a, 4c and 5 respectively and clearly show two parallel gold structures about 150 metres apart. On the Tomorrow Structure, high grade gold values occur within a 25 metre wide zone with multiple quartz veining and fractures which dips steeply to the east and probably coincides with the eastern limb of a tight anticline. Two cross sections through the Tomorrow Zone are shown on Figures 6 and 7.

On Figure 7, a diamond drillhole, DDT001 intersected sporadic gold mineralisation from 20.5 metres downhole (18 metres vertical depth) to 46.8 metres but core recovery was only about 25% because of soft saprolitic clays. Approximately 5.1 metres of fragmented core was obtained from this interval and assayed about 7.7g/t Au. **High grade intervals included 1.3 metres @ 18.2g/t Au from 20.1 metres, 1.3 metres @ 7.5g/t Au from 35.7 metres, 0.7 metres @10.9g/t Au from 36.9 metres and 1.3 metres @ 2.6 g/t Au from 45.1 metres depth.** This hole would need to be re-drilled to establish if continuous high grade gold mineralisation is present at this shallow depth on the Tomorrow Structure. Other shallow high grade intersections on the Tomorrow Structure are present in several drill holes:

- **RCT006 (7 metres @5.5g/t Au from 50 metres)**
- **RCT 007 (1metre @ 8.6g/t Au from 12 metres)**
- **RCT063 (4metres @ 9.2g/t Au from 18 metres)**
- **RCT050 (2 metres @ 18.4g/t Au from 44 metres)**
- **RCT097 (3 metres @6.4g/t Au from 54 metres)**
- **ACT015 (10metres @18.0g/t Au from 37 metres)**

As shown on Figure 5, the Tomorrow and Macnaughtan Structures still require considerably more angled RC drilling to define potential open pit resources. Because there is very little RC and diamond drilling that has tested these structures at vertical depths of greater than 100 metres, there is also potential for the discovery of high grade shoots that could be mined by underground methods.

REVIEW OF OPERATIONS (Continued)

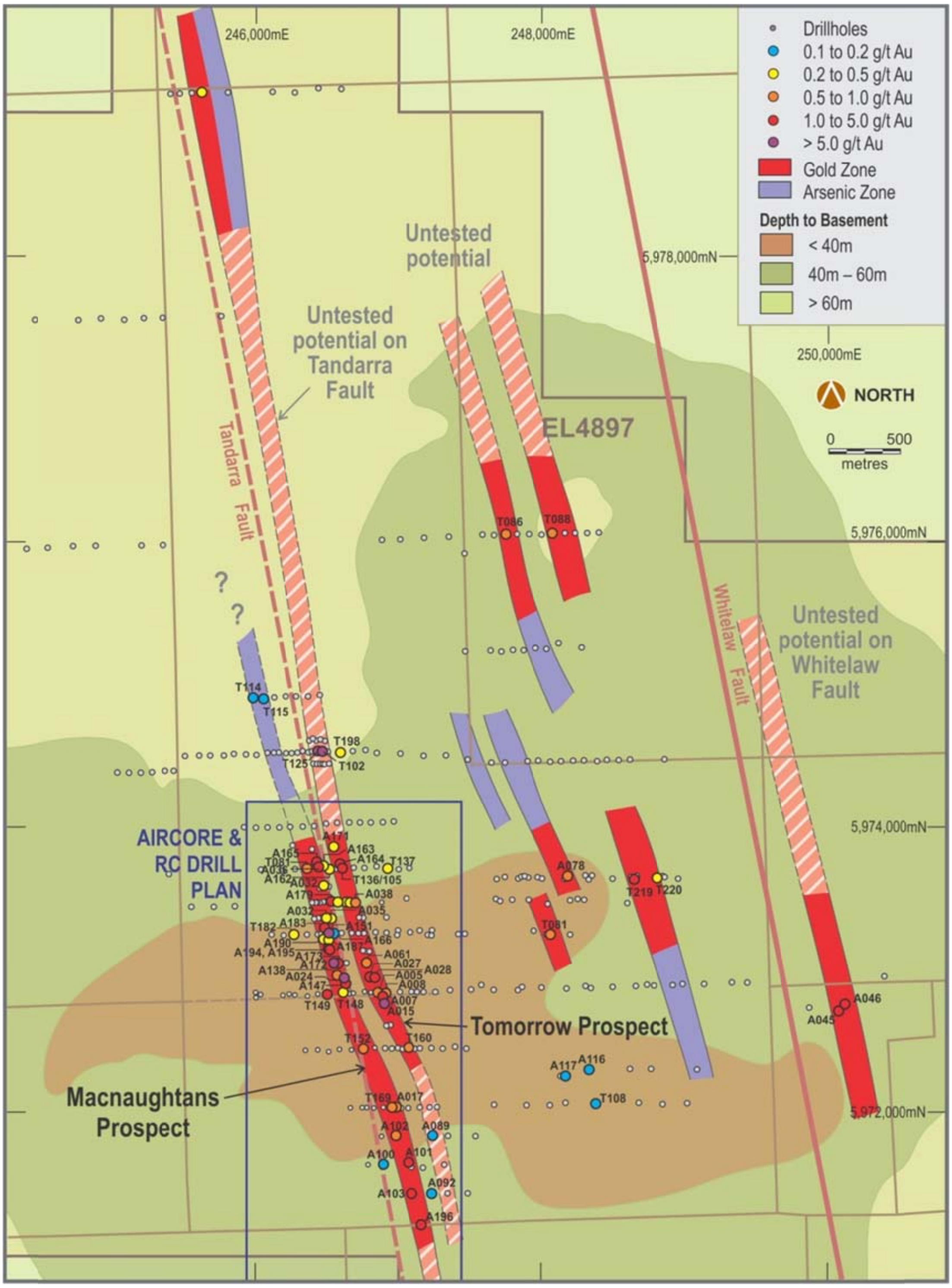
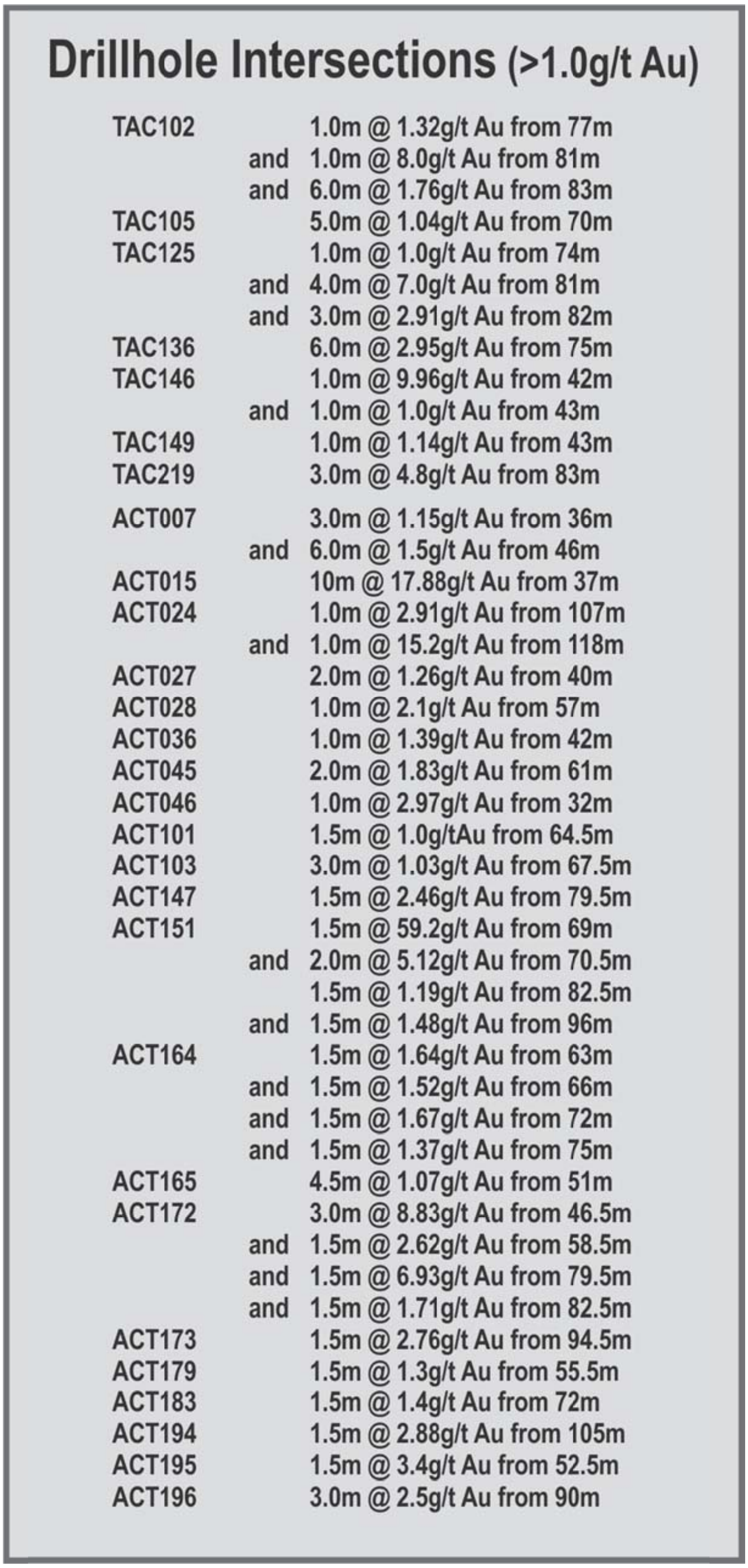


Figure 4a: Plan of Tandarra aircore drilling showing gold mineralisation trends

REVIEW OF OPERATIONS (Continued)



Drillhole Intersections (>1.0g/t Au)

TAC102		1.0m @ 1.32g/t Au from 77m
	and	1.0m @ 8.0g/t Au from 81m
	and	6.0m @ 1.76g/t Au from 83m
TAC105		5.0m @ 1.04g/t Au from 70m
TAC125		1.0m @ 1.0g/t Au from 74m
	and	4.0m @ 7.0g/t Au from 81m
	and	3.0m @ 2.91g/t Au from 82m
TAC136		6.0m @ 2.95g/t Au from 75m
TAC146		1.0m @ 9.96g/t Au from 42m
	and	1.0m @ 1.0g/t Au from 43m
TAC149		1.0m @ 1.14g/t Au from 43m
TAC219		3.0m @ 4.8g/t Au from 83m
ACT007		3.0m @ 1.15g/t Au from 36m
	and	6.0m @ 1.5g/t Au from 46m
ACT015		10m @ 17.88g/t Au from 37m
ACT024		1.0m @ 2.91g/t Au from 107m
	and	1.0m @ 15.2g/t Au from 118m
ACT027		2.0m @ 1.26g/t Au from 40m
ACT028		1.0m @ 2.1g/t Au from 57m
ACT036		1.0m @ 1.39g/t Au from 42m
ACT045		2.0m @ 1.83g/t Au from 61m
ACT046		1.0m @ 2.97g/t Au from 32m
ACT101		1.5m @ 1.0g/tAu from 64.5m
ACT103		3.0m @ 1.03g/t Au from 67.5m
ACT147		1.5m @ 2.46g/t Au from 79.5m
ACT151		1.5m @ 59.2g/t Au from 69m
	and	2.0m @ 5.12g/t Au from 70.5m
		1.5m @ 1.19g/t Au from 82.5m
	and	1.5m @ 1.48g/t Au from 96m
ACT164		1.5m @ 1.64g/t Au from 63m
	and	1.5m @ 1.52g/t Au from 66m
	and	1.5m @ 1.67g/t Au from 72m
	and	1.5m @ 1.37g/t Au from 75m
ACT165		4.5m @ 1.07g/t Au from 51m
ACT172		3.0m @ 8.83g/t Au from 46.5m
	and	1.5m @ 2.62g/t Au from 58.5m
	and	1.5m @ 6.93g/t Au from 79.5m
	and	1.5m @ 1.71g/t Au from 82.5m
ACT173		1.5m @ 2.76g/t Au from 94.5m
ACT179		1.5m @ 1.3g/t Au from 55.5m
ACT183		1.5m @ 1.4g/t Au from 72m
ACT194		1.5m @ 2.88g/t Au from 105m
ACT195		1.5m @ 3.4g/t Au from 52.5m
ACT196		3.0m @ 2.5g/t Au from 90m

Figure 4b: Aircore drill intersections shown on Figure 4a and 4c

DIRECTORS' REPORT

REVIEW OF OPERATIONS (Continued)

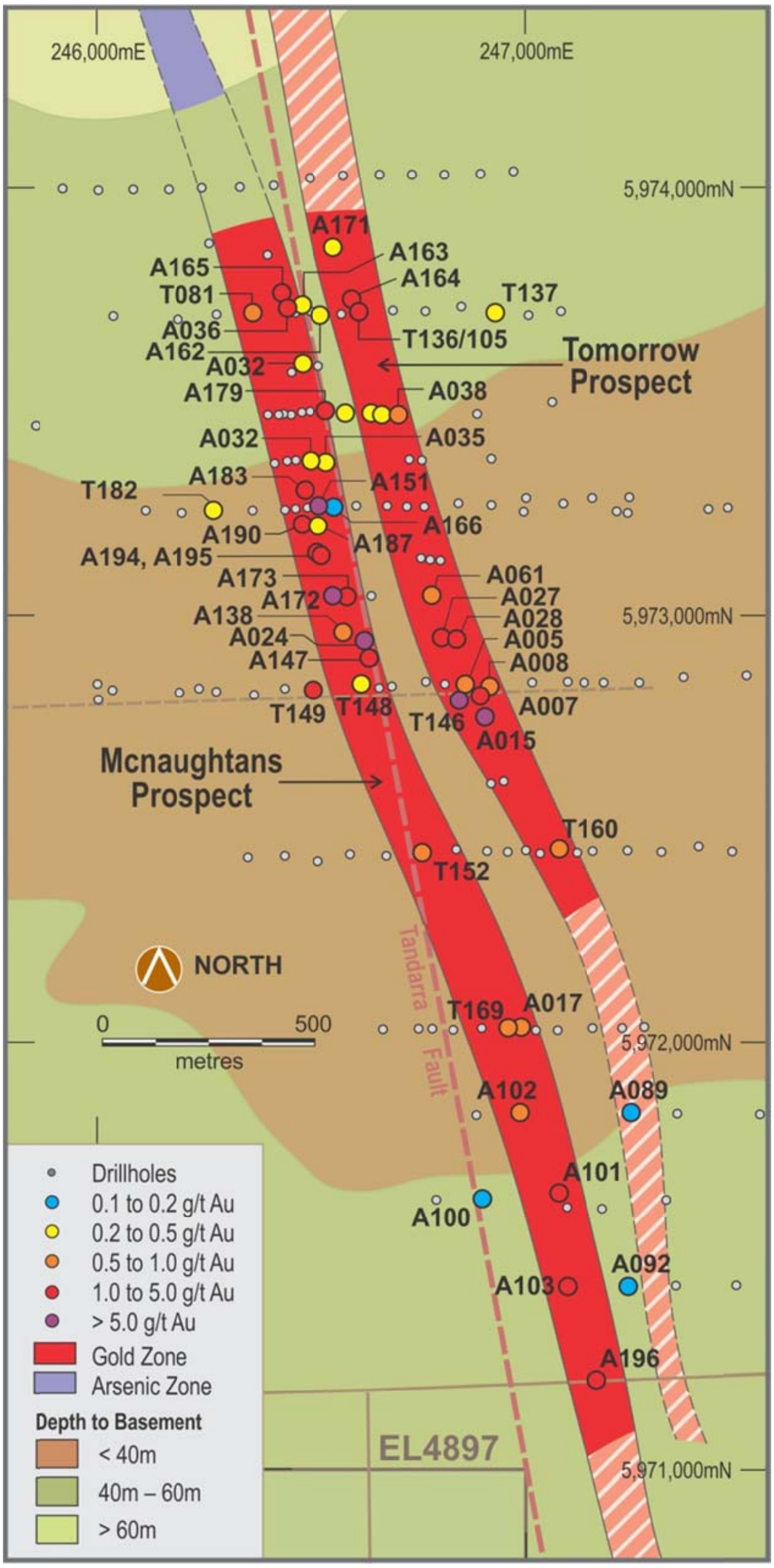
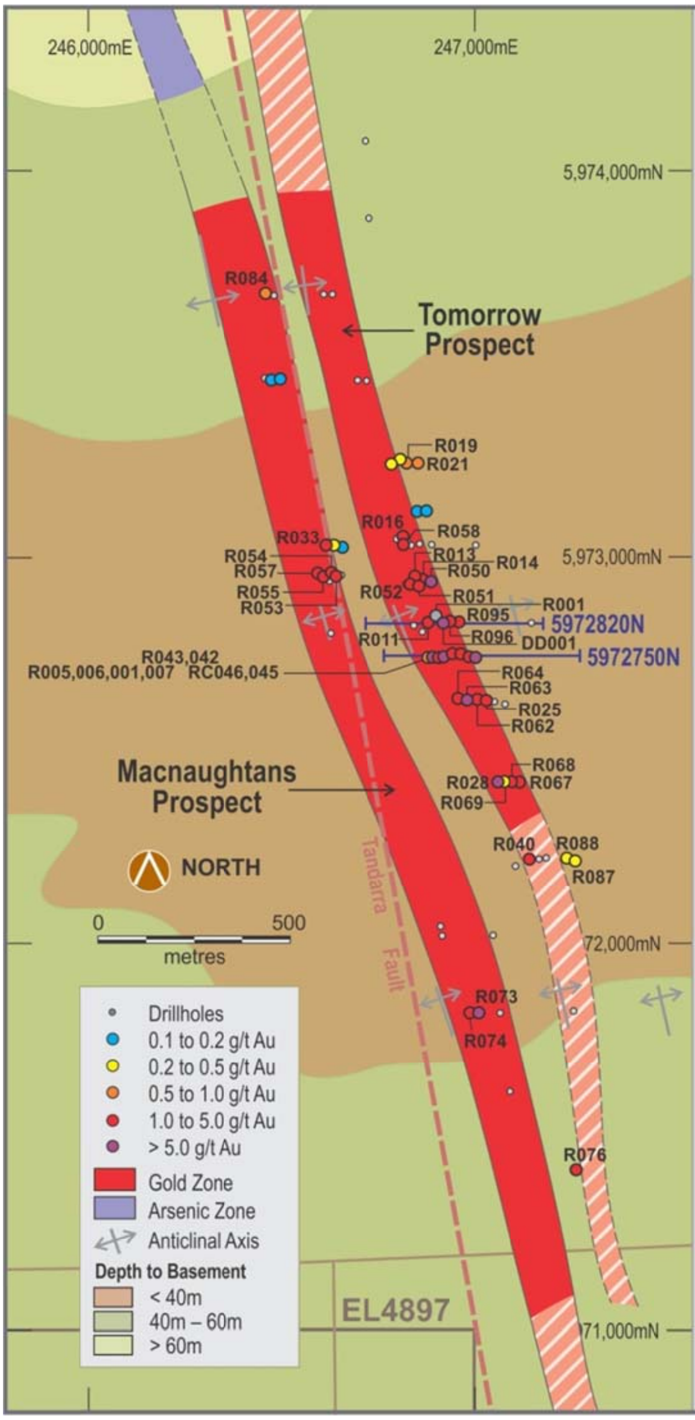


Figure 4c: Plan showing aircore drillholes in Tomorrow and Macnaughtans Prospect Area (Enlargement of rectangular box on Figure 4a)

DIRECTORS' REPORT

REVIEW OF OPERATIONS (Continued)



Drillhole Intersections (>2.0g/t Au)

DDT001		1.3m @ 18.2g/t Au from 20m
	and	1.7m @ 5.7g/t Au from 36m
	and	1.3m @ 5.9g/t Au from 39.4m
RCT001		1.0m @ 2.93g/t Au from 29m
	and	3.0m @ 4.3g/t Au from 75m
RCT006		1.0m @ 6.05g/t Au from 45m
	and	7.0m @ 5.5g/t Au from 50m
	and	2.0m @ 2.5g/t Au from 64m
	and	1.0m @ 2.61g/t Au from 104m
RCT007		1.0m @ 8.6g/t Au from 12m
RCT010		1.0m @ 2.26g/t Au from 66m
	and	1.0m @ 13.8g/t Au from 169m
RCT014		1.0m @ 2.62g/t Au from 45m
RCT016		1.0m @ 2.47g/t Au from 68m
RCT025		1.0m @ 2.06g/t Au from 27m
RCT028		8.0m @ 2.7g/t Au from 76m
	inc	2.0m @ 8.9g/t Au from 82m
RCT040		1.0m @ 2.35g/t Au from 72m
RCT042		2.0m @ 3.9g/t Au from 66m
RCT045		1.0m @ 2.4g/t Au from 36m
	and	1.0m @ 10.8g/tAu from 43m
	and	4.0m @ 2.67g/t Au from 55m
RCT046		4.0m @ 3.1g/t Au from 88m
RCT047		1.0m @ 4.18g/t Au from 66m
RCT050		2.0m @ 18.4g/t Au from 44m
	and	1.0m @ 2.63 g/t Au from 57m
RCT053		2.0m @ 2.56g/t Au from 3m
RCT062		1.0m @ 2.1g/t Au from 37m
	and	5.0m @ 3.7g/t Au from 41m
	and	7.0m @ 2.21g/t Au from 81m
RCT063		4.0m @ 9.2g/t Au from 18m
	and	1.0m @ 4.01g/t Au from 76m
	and	4.0m @ 2.39g/t Au from 103m
RCT067		1.0m @ 4.54g/t Au from 69m
RCT068		1.0m @ 3.6g/t Au from 58m
RCT073		1.0m @ 7.29g/t Au from 41m
RCT074		1.0m @ 3.06g/t Au from 35m
	and	2.0m @ 2.1g/t Au from 88m
RCT097		3.0m @ 6.4g/t Au from 54m

Figure 5: Plan showing Reverse Circulation drill holes and assays in Tomorrow and Macnaughtans Prospects (Enlargement of rectangular box on Figure 4a)

DIRECTORS' REPORT

REVIEW OF OPERATIONS (Continued)

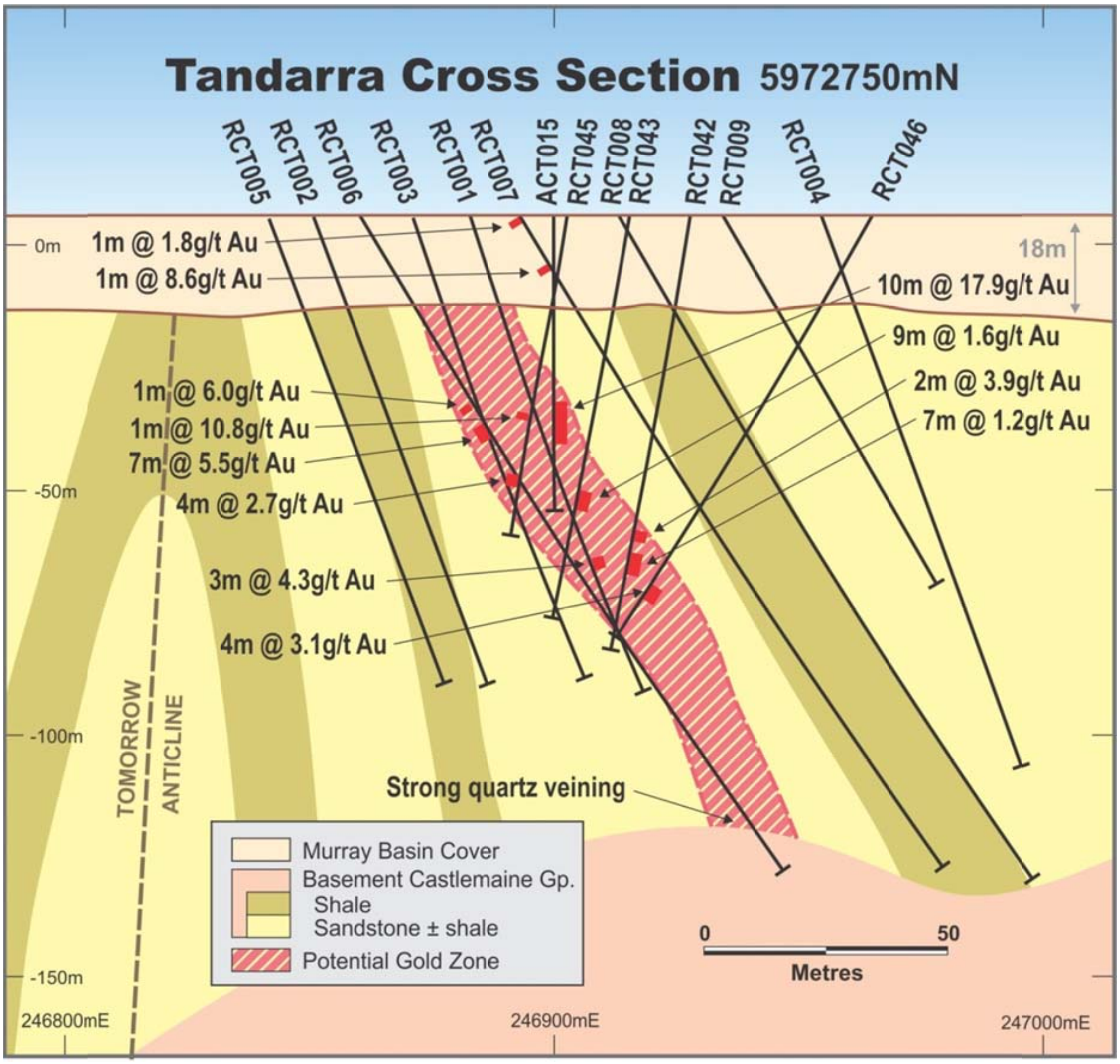


Figure 6: East west Cross Section through Tomorrow Structure at 5972750N on Tandarra Project.

REVIEW OF OPERATIONS (Continued)

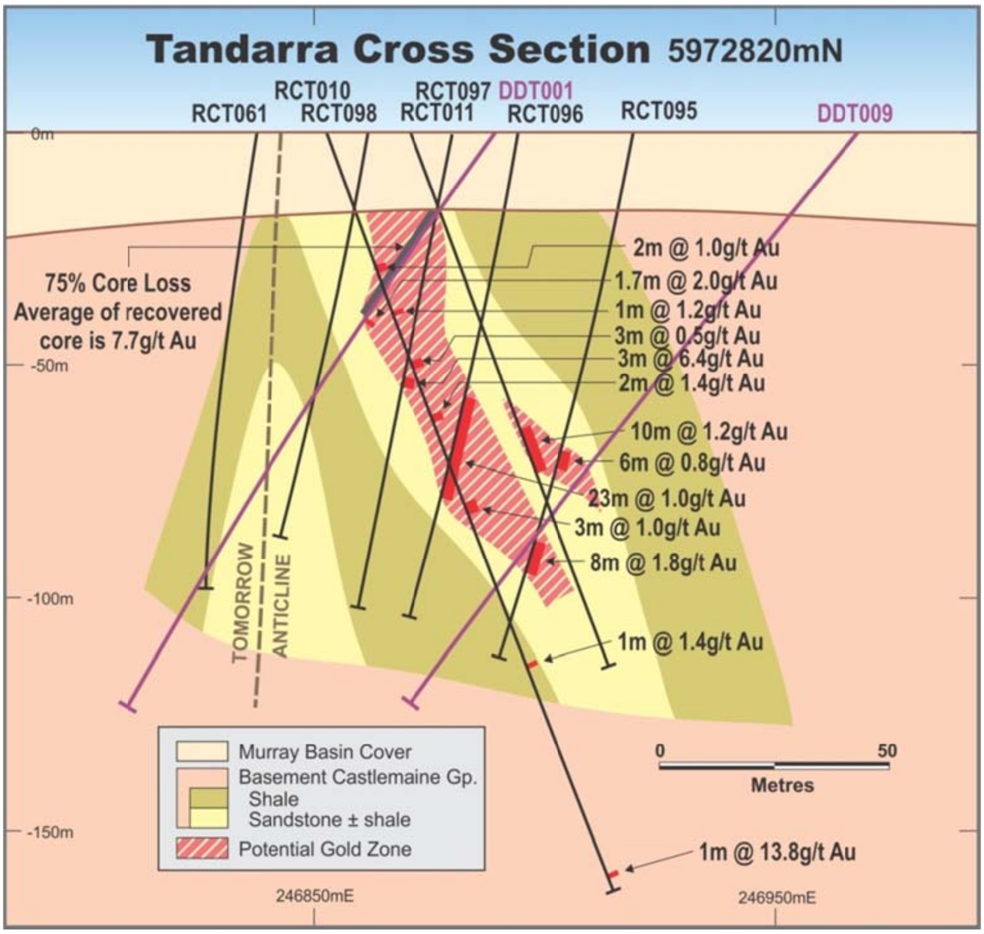


Figure 7: East west Cross section through Tomorrow Structure at 5972820N on Tandarra Project

New Tenement Applications in the Bendigo North Goldfield

In April 2014, Catalyst made application for two new exploration licences to further consolidate the ground holdings north of Bendigo. As shown on Figure 1, ELA 5508 was lodged under the Catalyst-Providence Joint Venture and becomes contiguous with EL's 5295 and 4525. The total area is 311 square kilometres. A second ELA 5509 with an area of 49 square kilometres, is located east of the Raydarra EL5266 on which Catalyst will earn an interest from Castlemaine Goldfields. These licences cover the possible extension of mineralisation located on the Four Eagles and Tandarra prospects.

Everton Project (Victoria) EL4866

The Company continues to seek a commercial access agreement with the Everton land-owner who holds the rights to the old quarry area where high grade molybdenite ore was mined historically, Discussions were also held with other exploration companies in the district who may be potential partners in future exploration. No field work was undertaken during the financial year.

Minnie Creek Project (Western Australia)

Following a review of the Minnie Creek Project in the context of other Company priorities, the decision was made to relinquish the Eudamullah E09/1174 which means that the Company has no further tenement interests in Western Australia.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial year.

FUTURE DEVELOPMENTS

During the course of the next financial year, the Group will continue its mineral exploration activities and will investigate additional resources projects in which the Group may participate.

In the opinion of the Directors there is no additional information available as at the date of this report on any likely developments which may materially affect the operations of the Group and the expected results of those operations in subsequent years.

SUBSEQUENT EVENTS

On 12 September 2014, the Company announced that all conditions precedent to the Heads of Agreement with Navarre Minerals Limited (**Navarre**) had been satisfied and completion had occurred. Under the Heads of Agreement, Catalyst has the right to earn a 51% equity interest in the Tandarra Gold Project located north of Bendigo in Victoria. In accordance with the terms of the agreement, Catalyst issued 250,000 ordinary fully paid shares to Navarre and made a cash payment of $50,000 (exc. GST). Otherwise, there have been no other subsequent events since the end of the financial year.

INFORMATION ON DIRECTORS

Stephen Boston (Non-Executive Chairman)

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

Memberships: Senior Associate – Financial Services Institute of Australia

Special Responsibilities: Chairman

Other Directorships: None

Interests in securities: Direct: 115,000
Indirect: 5,504,135 Ordinary Shares
(held by Trapine Pty Ltd, Elshaw Pty Ltd and Merewether Pty Ltd, companies in which Mr Boston holds a relevant interest)

Robin Scrimgeour (Non-Executive Director)

Mr Scrimgeour spent 17 years working for Credit Suisse in London, Tokyo, Hong Kong and Singapore. His most recent experience has been providing structured hybrid financing for corporates in Asia for project and acquisitions concentrated in the primary resources sector. Mr Scrimgeour's previous experience was as a senior equity derivatives trader involved in the pricing of complex structured equity derivative instruments for both private and corporate clients focused in Asia. Mr Scrimgeour holds a Bachelor of Economics with Honours from the University of Western Australia.

Special Responsibilities: Member of audit committee.

Other Directorships: None

Interests in securities: Direct: 4,680,500 Ordinary Shares
Indirect: Nil

DIRECTORS' REPORT

Gary Schwab (Non-Executive Director)

Mr Schwab is a Certified Practicing Accountant with over 40 years of business experience, including 20 years in the resources sector. Mr Schwab was previously Executive Director for a privately owned commodities group. In that role, Mr Schwab was responsible for managing a long term wealth creation strategy (in conjunction with the principal and owner) which culminated in the creation of what is currently one of Australia's wealthiest unlisted private commodities companies.

Special Responsibilities:	Chairman of audit committee.	
Other Directorships:	None	
Interests in securities:	Direct:	Nil
	Indirect:	Nil

Bruce Kay (Non-Executive Director)

Mr Kay is a qualified geologist and former head of worldwide exploration for Newmont Mining Corporation. He is a highly experienced geologist with a resource industry career spanning more than 30 years in international exploration, mine, geological, project evaluation and corporate operations. Mr Kay retired from Newmont in 2003. Based in Denver, Colorado, USA, he managed worldwide exploration for that Group. Prior to this appointment Mr Kay was group executive and managing director of exploration at Normandy Mining Limited where he was responsible for managing its global exploration program from 1989 until 2002.

Special Responsibilities:	Technical Director.	
Other Directorships:	None	
Interests in securities:	Direct:	1,652,808 Ordinary Shares; 350,000 Performance Rights
	Indirect:	Nil

Information on Company Secretary

Frank Campagna *B.Bus (Acc), CPA*

Company Secretary of Catalyst Metals Limited since November 2009. Mr Campagna is a Certified Practising Accountant with over 25 years' experience as a Company Secretary, Financial Controller and Commercial Manager for listed resources and industrial companies. He currently operates a corporate consultancy practice which provides corporate secretarial services to both listed and unlisted companies.

DIRECTORS' MEETINGS

The number of meetings attended by each of the Directors of the Company during the financial year was:

	Board Meetings		**Audit Committee Meetings**	
	Number held and entitled to attend	**Number Attended**	**Number held and entitled to attend**	**Number Attended**
Stephen Boston	7	7	-	-
Robin Scrimgeour	7	7	1	1
Gary Schwab	7	7	1	1
Bruce Kay	7	7	-	-

DIRECTORS' REPORT

ENVIRONMENTAL REGULATIONS

The Group is subject to significant environmental regulation in respect to its mineral exploration activities. These obligations are regulated under relevant government authorities within Australia and overseas. The Group is a party to exploration and mining licences. Generally, these licences and agreements specify the environmental regulations applicable to exploration and mining operations in the respective jurisdictions. The Group aims to ensure that it complies with the identified regulatory requirements in each jurisdiction in which it operates.

Compliance with environmental obligations is monitored by the Board of Directors. No environmental breaches have been notified to the Group by any government agency during the year ended 30 June 2014.

The Group's operations are subject to State and Federal laws and regulation concerning the environment.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

SHARE OPTIONS

As at the date of this report, there were 916,667 unissued ordinary shares under option. The terms of these options are as follows:

	Number
Options over ordinary fully paid shares exercisable:	
- at 30 cents each on or before 30 June 2015	750,000
- at 30 cents each on or before 30 June 2016	166,667
	916,667

No person entitled to exercise the options has any right by virtue of the option to participate in any share issue of the parent entity or any other corporation.

REMUNERATION REPORT (AUDITED)

This report sets out the current remuneration arrangements for directors and executives of the Group. For the purposes of this report, key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling major activities of the Group, including any director of the Group, and includes the executives in the consolidated entity receiving the highest remuneration. The information provided in this report includes remuneration disclosures that are required under Accounting Standard AASB 124 *Related Party Disclosures*.

Principles used to determine the nature and amount of remuneration

Directors and executives remuneration
Overall remuneration policies are determined by the Board and are adapted to reflect competitive market and business conditions. Within this framework, the Board considers remuneration policies and practices generally, and determines specific remuneration packages and other terms of employment for any executive directors and senior management. Executive remuneration and other terms of employment are reviewed annually by the Board having regard to performance, relevant comparative information and expert advice.

The Group's remuneration policy for any executive directors and senior management is designed to promote superior performance and long term commitment to the Group. Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the Group's operations.

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

Executive directors and senior executives receive a base remuneration which is market related, together with performance based remuneration linked to the achievement of pre-determined milestones and targets.

The Group's remuneration policies are designed to align executives' remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Group. The main principles of the policy are:

- reward reflects the competitive market in which the Group operates; and
- individual reward should be linked to performance criteria.

The structure of remuneration packages for any executive directors and other senior executives comprises:

- a fixed sum base salary plus superannuation benefits;
- short term incentives through eligibility to participate in a performance bonus scheme if deemed appropriate; and
- long term incentives through any executive directors being eligible to participate in share option schemes with the prior approval of shareholders.

Fixed and variable remuneration is established for each executive director by the Board. The objective of short term incentives is to link achievement of the Group's operational targets with the remuneration received by executives charged with meeting those targets.

The objective of long term incentives is to reward executives in a manner which aligns this element of their remuneration with the creation of shareholder wealth.

Performance incentives may be offered to any executive directors and senior management through the operation of performance bonus schemes. A performance bonus, based on a percentage of annual salary, may be payable upon achievement of agreed operational milestones and targets.

Non-executive directors' remuneration

In accordance with current corporate governance practices, the structure for the remuneration of non-executive directors and senior executives is separate and distinct. Shareholders approve the maximum fees payable to non-executive directors, with the current approved limit being $400,000 per annum. The Board is responsible for determining actual payments to directors. Non-executive directors are entitled to statutory superannuation benefits. The Board approves any consultancy arrangements for non-executive directors who provide services outside of and in addition to their duties as non-executive directors.

Non-executive directors may be entitled to participate in equity based remuneration schemes. Shareholders must approve the framework for any equity based compensation schemes and if a recommendation is made for a director to participate in an equity scheme, that participation must be specifically approved by the shareholders.

All directors are entitled to have premiums on indemnity insurance paid by the Group.

At the 2013 AGM, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2013. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

Details of Remuneration for Year Ended 30 June 2014

Details of the remuneration for each director and key management personnel (as defined in AASB 124 *Related Party Disclosures*) of the Group during the year are set out in the following tables.

2014	**Short-term employment benefits**		**Post-employment benefits**	**Share-based payments**	
Name	**Cash salary and fees**	**Other**	**Superannuation**	**Shares**	**Total**
Non-executive directors					
S Boston	65,550	-	-	-	65,550
R Scrimgeour	43,700	-	-	-	43,700
G Schwab	21,850	-	21,850	-	43,700
B Kay	30,000	52,800	13,700	64,003	160,503
Total key management personnel compensation	**161,100**	**52,800**	**35,550**	**64,003**	**313,453**

In 2014, a component of Messrs Boston, Scrimgeour and Kay's directors' fees were accrued but have not been paid to assist in the preservation of cash for the Company. Details of accrued amounts are disclosed in Note 16 of the financial report. Included in the remuneration report are amounts paid to Mr Kay for geological consulting services that are outside the scope of his directors' duties.

2013	**Short-term employment benefits**		**Post-employment benefits**	**Share-based payments**	
Name	**Cash salary and fees**	**Other**	**Superannuation**	**Shares**	**Total**
Non-executive directors					
S Boston	60,000	-	5,400	-	65,400
R Scrimgeour	40,000	-	3,600	-	43,600
G Schwab	40,000	-	3,600	-	43,600
B Kay	40,000	60,000	3,600	85,260	188,860
Total key management personnel compensation	**180,000**	**60,000**	**16,200**	**85,260**	**341,460**

In 2013, a component of Messrs Boston, Scrimgeour and Kay's directors' fees were accrued but not been paid to assist in the preservation of cash for the Company. Included in the remuneration report are amounts paid to Mr Kay for geological consulting services that are outside the scope of his directors' duties.

Letters of appointment have been entered into with each director of the Company. No duration of appointment or termination benefits are applicable. Effective from 1 January 2012, Non-executive directors receive remuneration of $40,000 per annum plus statutory superannuation, whilst the Chairman receives remuneration of $60,000 per annum plus statutory superannuation. Directors are permitted to salary sacrifice their fees.

The company secretary is deemed to be an executive by virtue of being an officer of the parent entity. The role performed by the company secretary does not meet the definition of key management person under AASB 124, hence this officer has been excluded from the key management personnel disclosures in the financial report.

The company secretary has an agreement on normal commercial terms for the provision of services at the rate of $5,000 per month.

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

SHARE-BASED COMPENSATION

Shares
On 15 November 2013, at the Company's 2013 Annual General Meeting, shareholders approved the issue of 332,000 ordinary fully paid shares to Messrs Boston, Scrimgeour and Kay in lieu of outstanding directors' fees for the 2012/13 financial year. The market price at the date of issue of the shares was $0.32 per share

Options
Options over shares in the Company are granted under the Catalyst Metals Limited Employee Share Option Plan ("Option Plan"). The purpose of the Option Plan is to provide employees, directors, executive officers and consultants with an opportunity, in the form of options, to subscribe for ordinary shares in the Group. The Directors consider the Option Plan enables the Group to retain and attract skilled and experienced employees, board members and executive officers and provide them with the motivation to contribute to the growth and future success of the Group.

During the financial year no options were issued as compensation.

Performance Rights
Performance Rights over shares in the Company are granted under the Catalyst Metals Limited Performance Rights Plan ("Performance Rights Plan"). The objective of the Performance Rights Plan is to attract, motivate and retain employees, Directors and consultants ("Eligible Participants") of the Company by providing performance related incentives and rewards. Subject to certain criteria being satisfied, the Board may offer Eligible Participants performance rights which upon vesting will entitle the holder to one ordinary fully paid share in the Company for each performance right held.

During the financial year no performance rights were issued as compensation. In the 2012 financial year Mr Bruce Kay was granted Performance Rights with the following conditions:

(a) 300,000 Performance Rights to vest on the date that the Company, through its wholly owned subsidiary Kite Gold Pty Ltd (**Kite Gold**) elects to continue after Phase 1 of the Four Eagles Heads of Agreement, as evidenced by satisfaction of the relevant condition precedents to Phase 2, being the issue and allotment of a further 750,000 Catalyst shares and payment of a further $100,000 in cash to Providence Gold & Minerals Pty Ltd (**Providence**); and

(b) 700,000 Performance Rights will vest on the date that the Company, through Kite Gold, becomes entitled to the transfer of a 50% interest in each of the exploration licences EL4525 and EL5295 under the Four Eagles Heads of Agreement.

On 15 April 2013 the Company agreed with Mr Kay to alter the Performance Rights conditions to reflect the Amendment and Restatement Deed of the Heads of Agreement that was signed with Providence. Under the terms of the revised Performance Rights, Mr Kay agreed to defer the vesting and issue of 350,000 Performance Rights until the granting of the extension of EL4525 from 20 January 2013 has been granted and Catalyst, through Kite Gold, becomes entitled to a 60% interest in the Four Eagles Gold Project.

On 17 June 2013, Mr Kay was issued with 350,000 ordinary fully paid shares in the Company following Kite Gold becoming entitled to the transfer of a 50% interest in EL4525 and EL5295.

SHARE AND OPTION HOLDINGS

Option holdings
The number of options over ordinary shares in the Company held during the year by each director of the Company and other key management personnel, including their personally related parties, are set out below:

DIRECTORS' REPORT

REMUNERATION REPORT (Continued)

2014 – Options Holdings

Directors	*Balance at beginning of year*	*Granted as compensation*	*Exercised*	*Other changes (i)*	*Balance at end of year*	*Vested and exercisable*
S Boston	-	-	-	-	-	-
R Scrimgeour	-	-	-	-	-	-
G Schwab	-	-	-	-	-	-
B Kay	250,000	-	(250,000)	-	-	-

Ordinary Shares

The number of ordinary shares in the Group held during the financial year by each director and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the year as compensation.

2014 – Ordinary Share Holdings

Directors	*Balance at beginning of year*	*Purchased*	*Other changes (i)*	*Balance at end of year*
S Boston	5,504,135	-	115,000	5,619,135
R Scrimgeour	4,587,500	-	93,000	4,680,500
G Schwab	-	-	-	-
B Kay	1,278,808	-	374,000(i)	1,652,808

A. This represents shares issued as a result of exercise of options during the financial year plus the vesting of Performance Rights to Mr Kay.

Performance Rights

The number of performance rights in the Company held during the financial year by each personally related parties, are set out below:

2014 – Performance Rights Holdings

Directors	*Balance at beginning of year*	*Granted as compensation*	*Vested*	*Other changes (ii)*	*Balance at end of year*	*Vested and exercisable*
S Boston	-	-	-	-	-	-
R Scrimgeour	-	-	-	-	-	-
G Schwab	-	-	-	-	-	-
B Kay	350,000	-	-	-	350,000	-

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

(i) $10,876 was paid to Elshaw Pty Ltd during the year, a company in which Mr Boston has a relevant interest.

(ii) Mr Kay was paid $52,800 (2013: $60,000) for geological consulting work that is outside the scope of his directors' duties.

END OF REMUNERATION REPORT

DIRECTORS' REPORT

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Group has entered into indemnity agreements with each of the directors and officers of the Group. Under the agreements, the Group will indemnify those officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities as officers of the Group or any related entities.

NON-AUDIT SERVICES

The board of directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that any non-audit services did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

No fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2014.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2014 has been received and immediately follows the Directors' Report.

This report is made in accordance with a resolution of the Directors.

Stephen Boston
Chairman

Perth, Western Australia
30 September 2014

RSM Bird Cameron Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Catalyst Metals Ltd for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners
RSM BIRD CAMERON PARTNERS

Perth, WA
Dated: 30 September 2014

JAMES KOMNINOS
Partner

Liability limited by a scheme approved under Professional Standards Legislation

Major Offices in:
Perth, Sydney, Melbourne, Adelaide and Canberra
ABN 36 965 185 036

RSM Bird Cameron Partners is a member of the RSM network. Each member of the RSM network is an independent accounting and advisory firm which practises in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2014

	Note	2014 $	2013 $
Current Assets			
Cash and cash equivalents	7	1,031,251	1,114,656
Trade and other receivables	8	36,061	33,488
Total Current Assets		1,067,312	1,148,144
Non-Current Assets			
Property, plant and equipment	9	74	714
Exploration and evaluation expenditure	10	-	-
Total Non-Current Assets		74	714
TOTAL ASSETS		1,067,386	1,148,858
Current Liabilities			
Trade and other payables	11	285,356	271,376
Total Current Liabilities		285,356	271,376
TOTAL LIABILITIES		285,356	271,376
NET ASSETS		782,030	877,482
Equity			
Contributed equity	12	9,453,634	8,589,225
Share-based payments reserve	13	228,008	164,005
Accumulated losses	13	(8,899,612)	(7,875,748)
TOTAL EQUITY		782,030	877,482

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2014

	Note	2014 $	2013 $
Revenue from continuing operations	3	32,094	55,946
Expenses			
Occupancy costs		-	(1,050)
Professional fees		(172,800)	(162,058)
Administration costs		(62,367)	(29,590)
Personnel		(250,693)	(281,460)
Corporate		(212,914)	(164,053)
Exploration costs written off		(357,184)	(425,116)
Loss before income tax expense from continuing operations		(1,023,864)	(1,007,381)
Income tax expense	6	-	-
Loss after income tax from continuing operations		(1,023,864)	(1,007,381)
Other comprehensive income		-	-
Total comprehensive loss for the year		(1,023,864)	(1,007,381)
Total comprehensive income attributable to members of the Parent entity		(1,023,864)	(1,007,381)
Earnings per share for profit attributable to the owners of Catalyst Metals Limited			
Basic loss per share (cents per share)	5	(2.1)	(2.2)
Diluted loss per share (cents per share)	5	(2.1)	(2.2)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2014

	Contributed Equity $	Accumulated losses $	Share-based payments reserve $	Total $
Balance at 30 June 2012	**8,216,958**	**(6,868,367)**	**185,145**	**1,533,736**
Total comprehensive loss for the year	-	(1,007,381)	-	(1,007,381)
Transactions with owners in their capacity as owners:				
Share based payments	-	-	(21,140)	(21,140)
Issue of shares	372,267	-	-	372,267
Share issue expenses	-	-	-	-
Balance at 30 June 2013	**8,589,225**	**(7,875,748)**	**164,005**	**877,482**
Total comprehensive loss for the year	-	(1,023,864)	-	(1,023,864)
Transactions with owners in their capacity as owners:				
Share based payments	-	-	64,003	64,003
Issue of shares	889,990	-	-	889,990
Share issue expenses	(25,581)	-	-	(25,581)
Balance at 30 June 2014	**9,453,634**	**(8,899,612)**	**228,008**	**782,030**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2014

	Note	2014 $	2013 $
Cash Flows from Operating Activities			
Payments for exploration and evaluation		(263,339)	(504,505)
Payments for option over Unity Mining gold plant		-	(100,000)
Payments to suppliers, contractors and employees		(529,882)	(377,483)
Interest received		35,397	56,776
Net cash flows used in operating activities	14	(757,824)	(925,212)
Cash Flows from Investing Activities			
Payments for property, plant and equipment		-	-
Net cash flows used in investing activities		-	-
Cash Flows from Financing Activities			
Proceeds from issue of shares and other equity securities		700,000	265,868
Share issue expenses		(25,581)	-
Net cash flows from financing activities		674,419	265,868
Net increase in cash and cash equivalents		(83,405)	(659,344)
Cash and cash equivalents at the beginning of the financial year		1,114,656	1,774,000
Cash and cash equivalents at the end of the financial year	7	1,031,251	1,114,656

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 30 June 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 10 Consolidated Financial Statements

The consolidated entity has applied AASB 10 from 1 July 2013, which has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights that give it the current ability to direct the activities that significantly affect the investee's returns. The consolidated entity not only has to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes.

AASB 11 Joint Arrangements

The consolidated entity has applied AASB 11 from 1 July 2013. The standard defines which entities qualify as joint arrangements and removes the option to account for joint ventures using proportional consolidation. Joint ventures, where the parties to the agreement have the rights to the net assets are accounted for using the equity method. Joint operations, where the parties to the agreements have the rights to the assets and obligations for the liabilities, will account for its share of the assets, liabilities, revenues and expenses separately under the appropriate classifications.

AASB 12 Disclosure of Interests in Other Entities

The consolidated entity has applied AASB 12 from 1 July 2013. The standard contains the entire disclosure requirement associated with other entities, being subsidiaries, associates, joint arrangements (joint operations and joint ventures) and unconsolidated structured entities. The disclosure requirements have been significantly enhanced when compared to the disclosures previously located in AASB 127 'Consolidated and Separate Financial Statements', AASB 128 'Investments in Associates', AASB 131 'Interests in Joint Ventures' and Interpretation 112 'Consolidation - Special Purpose Entities'.

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13

The consolidated entity has applied AASB 13 and its consequential amendments from 1 July 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)
The consolidated entity has applied AASB 119 and its consequential amendments from 1 July 2013. The standard eliminates the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The standard also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken.

AASB 127 Separate Financial Statements (Revised), AASB 128 Investments in Associates and Joint Ventures (Reissued) and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards
The consolidated entity has applied AASB 127, AASB 128 and AASB 2011-7 from 1 July 2013. AASB 127 and AASB 128 have been modified to remove specific guidance that is now contained in AASB 10, AASB 11 and AASB 12 and AASB 2011-7 makes numerous consequential changes to a range of Australian Accounting Standards and Interpretations. AASB 128 has also been amended to include the application of the equity method to investments in joint ventures.

AASB 2012-2 Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities
The consolidated entity has applied AASB 2012-2 from 1 July 2013. The amendments enhance AASB 7 'Financial Instruments: Disclosures' and requires disclosure of information about rights of set-off and related arrangements, such as collateral agreements. The amendments apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement.

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle
The consolidated entity has applied AASB 2012-5 from 1 July 2013. The amendments affect five Australian Accounting Standards as follows: Confirmation that repeat application of AASB 1 'First-time Adoption of Australian Accounting Standards' is permitted; Clarification of borrowing cost exemption in AASB 1; Clarification of the comparative information requirements when an entity provides an optional third column or is required to present a third statement of financial position in accordance with AASB 101 'Presentation of Financial Statements'; Clarification that servicing of equipment is covered by AASB 116 'Property, Plant and Equipment', if such equipment is used for more than one period; clarification that the tax effect of distributions to holders of equity instruments and equity transaction costs in AASB 132 'Financial Instruments: Presentation' should be accounted for in accordance with AASB 112 'Income Taxes'; and clarification of the financial reporting requirements in AASB 134 'Interim Financial Reporting' and the disclosure requirements of segment assets and liabilities.

AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments
The consolidated entity has applied AASB 2012-10 amendments from 1 July 2013, which amends AASB 10 and related standards for the transition guidance relevant to the initial application of those standards. The amendments clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments.

Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine and AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20
The consolidated entity has applied Interpretation 20 and its consequential amendments from 1 July 2013. The Interpretation clarifies when production stripping costs should lead to the recognition of an asset and how that asset should be initially and subsequently measured. The Interpretation only deals with waste removal costs that are incurred in surface mining activities during the production phase of the mine.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement

The consolidated entity has applied 2011-4 from 1 July 2013, which amends AASB 124 'Related Party Disclosures' by removing the disclosure requirements for individual key management personnel ('KMP'). Corporations and Related Legislation Amendment Regulations 2013 and Corporations and Australian Securities and Investments Commission Amendment Regulation 2013 (No.1) now specify the KMP disclosure requirements to be included within the directors' report.

(b) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

(c) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 24.

(d) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Catalyst Metals Limited ('company' or 'parent entity') as at 30 June 2014 and the results of all subsidiaries for the year then ended. Catalyst Metal Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(e) Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

(d) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(e) Impairment

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Cash and cash equivalents

For the purpose of the cash flow statement, cash includes cash on hand and at call deposits with banks or financial institutions and investments in money market instruments with less than 30 days to maturity.

(g) Trade and other receivables

Trade receivables, loans, and other receivables are recorded at amortised cost less impairment.

(h) Financial instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit or loss
Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in profit or loss.

(ii) Held-to-maturity investments
Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount.

This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

(iii) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(iv) Available-for-sale investments
Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

Fair value

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

Impairment

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

(i) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure. Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

Exploration expenditure for each area of interest is written off as incurred, except that it may be carried forward provided that one of the following conditions is met:

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- such costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- exploration activities in an area of interest have not, at balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

The Group performs impairment testing when facts and circumstances suggest the carrying amount has been impaired. If it was determined that the asset was impaired it would be immediately written off to the income statement.

Expenditure is not carried forward in respect of any area of interest unless the Group's right of tenure to that area of interest is current. Expenditures incurred before the Group has obtained legal rights to explore a specific area is expensed as incurred. Amortisation is not charged on areas under development, pending commencement of production.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date.

(l) Employee entitlements

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

(m) Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the year. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior years is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred tax
Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised.

However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the year
Current and deferred tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

(n) Intangibles

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

(o) Equity based payments

The Group determines the fair value of options issued to employees as remuneration and recognises the expense in the income statement. This policy is not limited to options and also extends to other forms of equity based remuneration.

Fair value is measured using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period.

(p) Earnings per share

Basic earnings per share is determined by dividing the profit from ordinary activities after related income tax expense by the weighted average number of ordinary shares outstanding during the financial year.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financial activities, which are recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(r) Property, Plant and Equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Computer equipment	25%-33.33%
Furniture, fittings and equipment	33.33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2014. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments and its consequential amendments
This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2017 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The consolidated entity will adopt this standard and the amendments from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities
The amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement. The adoption of the amendments from 1 July 2014 will not have a material impact on the consolidated entity.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets
These amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed. The adoption of these amendments from 1 July 2014 may increase the disclosures by the consolidated entity.

AASB 2013-4 Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting
These amendments are applicable to annual reporting periods beginning on or after 1 January 2014 and amends AASB 139 'Financial Instruments: Recognition and Measurement' to permit continuation of hedge accounting in circumstances where a derivative (designated as hedging instrument) is novated from one counter party to a central counterparty as a consequence of laws or regulations. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.

AASB 2013-5 Amendments to Australian Accounting Standards - Investment Entities
These amendments are applicable to annual reporting periods beginning on or after 1 January 2014 and allow entities that meet the definition of an 'investment entity' to account for their investments at fair value through profit or loss. An investment entity is not required to consolidate investments in entities it controls, or apply AASB 3 'Business Combinations' when it obtains control of another entity, nor is it required to equity account or proportionately consolidate associates and joint ventures if it meets the criteria for exemption in the standard. The adoption of these amendments from 1 July 2014 will have no impact on the consolidated entity.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Annual Improvements to IFRSs 2010-2012 Cycle
These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects several Accounting Standards as follows: Amends the definition of 'vesting conditions' and 'market condition' and adds definitions for 'performance condition' and 'service condition' in AASB 2 'Share-based Payment'; Amends AASB 3 'Business Combinations' to clarify that contingent consideration that is classified as an asset or liability shall be measured at fair value at each reporting date; Amends AASB 8 'Operating Segments' to require entities to disclose the judgements made by management in applying the aggregation criteria; Clarifies that AASB 8 only requires a reconciliation of the total reportable segments assets to the entity's assets, if the segment assets are reported regularly; Clarifies that the issuance of AASB 13 'Fair Value Measurement' and the amending of AASB 139 'Financial Instruments: Recognition and Measurement' and AASB 9 'Financial Instruments' did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amount, if the effect of discounting is immaterial; Clarifies that in AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets', when an asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount (i.e. proportional restatement of accumulated amortisation); and Amends AASB 124 'Related Party Disclosures' to clarify that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a 'related party' of the reporting entity. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.

Annual Improvements to IFRSs 2011-2013 Cycle
These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects four Accounting Standards as follows: Clarifies the 'meaning of effective IFRSs' in AASB 1 'First-time Adoption of Australian Accounting Standards'; Clarifies that AASB 3 'Business Combination' excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself; Clarifies that the scope of the portfolio exemption in AASB 13 'Fair Value Measurement' includes all contracts accounted for within the scope of AASB 139 'Financial Instruments: Recognition and Measurement' or AASB 9 'Financial Instruments', regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132 'Financial Instruments: Presentation'; and Clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in AASB 3 'Business Combinations' and investment property as defined in AASB 140 'Investment Property' requires the separate application of both standards independently of each other. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2013. The consolidated entity’s assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted.

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Continued)

The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Fair value measurement hierarchy
The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

It is reasonably possible that the underlying metal price assumption may change which may then impact the estimated life of mine determinant and may then require a material adjustment to the carrying value of mining plant and equipment, mining infrastructure and mining development assets. Furthermore, the expected future cash flows used to determine the value-in-use of these assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as metal spot prices, discount rates, estimates of costs to produce reserves and future capital expenditure.

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Continued)

Exploration and evaluation costs

The Group's accounting policy for exploration and evaluation is set out in note 1(i). The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances, in particular the assessment of whether economic quantities of reserves may be found. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the Group's policy, management concludes that the Group is unlikely to recover the expenditure by future exploitation or sale, then the relevant capitalised amount will be written off to the income statement.

	2014 $	2013 $
3. Revenue		
Interest received	32,094	55,946
	32,094	55,946

4. Expenses

	2014 $	2013 $
Loss before income tax includes the following specific expenses:		
Directors fees	186,690	196,200
Exploration written off (refer note 1(i))	357,859	425,116
Share based payments (refer note 17)	64,003	85,260
Depreciation	640	3,238

5. Earnings per Share

	2014 No. of Shares	2013 No. of Shares
Weighted average number of ordinary shares for basic and diluted earnings per share (i)	47,881,667	46,396,568

(i) In 2014 diluted earnings per share were calculated after classifying all options on issue remaining unconverted at 30 June 2014 as potential ordinary shares. As at 30 June 2014, the Group had 916,667 options over unissued capital and has incurred a net loss. As the notional exercise prices of these options is greater than the current market price of the shares, they have not been included in the calculations of the diluted earnings per share as they are anti-dilutive for all periods presented.

6. Income tax

	2014 $	2013 $
Loss before tax	(1,023,864)	(1,007,381)
Prima facie tax on operating loss before income tax at 30%	307,159	302,214
Tax effect of:		
- non deductible items	(108,614)	(55,950)
- deductible capital raising expenditure	-	-
Deferred tax asset not brought to account at the reporting date as realisation of the benefit is not probable	(198,545)	(246,264)
Income tax attributable to operating loss	-	-

Unrecognised deferred tax balances

The Group has $8,581,886 (2013: $7,920,069) tax losses arising in Australia that are available indefinitely for offset against future profit of the companies in which the losses arose.

The potential deferred tax asset of $2,574,566 (2013: $2,376,201), arising from tax losses and temporary differences (as disclosed above), has not been recognised as an asset because recovery of tax losses and temporary differences is not considered probable.

The potential deferred tax asset will only be obtained if:

- the relevant Group derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised;
- the relevant Group continues to comply with the conditions for deductibility imposed by tax legislation; and
- no changes in tax legislation adversely affect the relevant Group in realising the benefit from the deduction for the losses.

	2014 $	2013 $
7. Cash and cash equivalents		
Cash at bank	1,031,251	1,114,656

8. Trade and other receivables

Sundry debtors	36,061	33,488

Fair value and credit risk

Due to the short term nature of the receivables, their carrying value is assumed to approximate their fair value.

9. Property, plant and equipment

	Computer equipment $	Furniture, fittings and equipment $	Total $
Year ended 30 June 2014			
Opening net book amount 1 July 2013	714	-	714
Additions	-	-	-
Disposals	-	-	-
Depreciation charge	(640)	-	(640)
Closing net book amount 30 June 2014	74	-	74
At 30 June 2014			
Cost or fair value	20,602	11,572	32,174
Accumulated depreciation	(20,528)	(11,572)	(32,100)
Net book amount	74	-	74
Year ended 30 June 2013			
Opening net book amount 1 July 2012	3,952	-	3,952
Additions	-	-	-
Disposals	-	-	-
Depreciation charge	(3,238)	-	(3,238)
Closing net book amount 30 June 2013	714	-	714
At 30 June 2013			
Cost or fair value	20,602	11,572	32,174
Accumulated depreciation	(19,888)	(11,572)	(31,460)
Net book amount	714	-	714

10. Exploration and evaluation expenditure

	2014 $	2013 $
Opening balance	-	-
Additions	357,184	425,116
Exploration written off (refer note 1(i))	(357,184)	(425,116)
Closing balance	-	-

11. Trade and other payables

Current Payables		
Trade creditors	98,331	104,676
Accruals	187,025	166,700
	285,356	271,376

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value. Trade and other payables are non-interest bearing and normally settled on 30-day terms.

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 30 June 2014

12. Contributed Equity

		2014 Number	2014 $	2013 Number	2013 $
(a) Share capital					
Ordinary shares					
Fully paid	(c)	50,301,700	9,453,634	47,053,033	8,589,225
(b) Other equity securities					
Options – Unlisted	(d)	916,667	-	1,750,000	-
Performance Rights - Unlisted	(d)	350,000	-	350,000	-
Total contributed equity			9,453,634		8,589,225

(c) Movements in Ordinary Shares

Details	**Number of Shares**	**Issue Price**	**$**
Balance at 30 June 2012	46,071,298		8,216,958
Issue of shares – Exercise of options	250,000	$0.300	75,000
Issue of shares – Exercise of listed options	381,735	$0.500	190,867
Issue of shares – B Kay Performance Rights	350,000	$0.304	106,400
Balance at 30 June 2013	47,053,033		8,589,225
Issue of shares - Providence Gold & Minerals	250,000	$0.335	83,750
Issue of shares – Directors in lieu of fees	332,000	$0.320	106,240
Issue of shares – Placement	1,666,667	$0.300	500,000
Issue of shares – Exercise of unlisted options	1,000,000	$0.200	200,000
Capital raising expenses	-		(25,581)
Balance at 30 June 2014	50,301,700		9,453,634

(d) Movements in other equity securities

Details	**Number of Options**	**Issue Price**	**$**
Listed Options			
Balance at 30 June 2012	5,758,988		-
Exercise of options	381,735		-
Expiry of options	5,377,253		-
Balance at 30 June 2013	-		-
Balance at 30 June 2014	-		-

12. Contributed Equity (Continued)

(d) Movements in other equity securities (Continued)

Details	Number of Options	Issue Price	$
Unlisted Options			
Balance at 30 June 2012	2,000,000		-
Exercise of options	(250,000)	-	-
Balance at 30 June 2013	1,750,000		-
Issue of options	166,667		-
Exercise of options	(1,000,000)		-
Balance at 30 June 2014	916,667		-

Details	Number of Rights	Issue Price	$
Performance Rights			
Balance at 30 June 2012	700,000		-
Vested during period	(350,000)		
Balance at 30 June 2013	350,000		-
Balance at 30 June 2014	350,000		-

(e) Ordinary shares

On a show of hands, every member present in person or by proxy shall have one vote and, upon a poll, each share shall have one vote.

(f) Options

Unlisted Options

	Number
Options over ordinary fully paid shares exercisable:	
- at 30 cents each on or before 30 June 2015	750,000
- at 30 cents each on or before 30 June 2016	166,667
	916,667

(g) Performance Rights

350,000 Performance Rights will vest on the date that the Company, through Kite Gold Pty Ltd, becomes entitled to a 60% interest in each of exploration licences EL4525 and EL5295 under the Four Eagles Heads of Agreement.

12. Contributed Equity (Continued)

(h) *Capital* risk management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

In order to maintain or adjust the capital structure, the entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

The entity does not have a defined share buy-back plan.

No dividends were paid in 2014 and no dividends are expected to be paid in 2015.

There is no current intention to incur debt funding on behalf of the Group as on-going exploration expenditure will be funded via cash reserves, equity or joint ventures with other companies.

The Group is not subject to any externally imposed capital requirements.

(i) *Details* of subsidiaries

Details of the Group's subsidiaries at 30 June 2014 are:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held
Silkfield Holdings Pty Ltd	Mineral Exploration	Australia	100%
Kite Gold Pty Ltd	Mineral Exploration	Australia	100%
Kite Operations Pty Ltd	Mineral Exploration	Australia	100%

13. Reserves & Accumulated Losses

(a) *Reserves*

	2014 $	2013 $
Share-based payments reserve		
Balance at the beginning of the year	164,005	185,145
Transfer to contributed equity	-	(106,400)
Share-based payments expense	64,003	85,260
Balance at the end of the year	228,008	164,005

The share-based payments reserve records the value of share options issued by the Group.

(b) *Accumulated losses*

Balance at the beginning of the year	(7,875,748)	(6,868,367)
Loss for the year	(1,023,864)	(1,007,381)
Balance at the end of the year	(8,899,612)	(7,875,748)

14. Notes to the Cash Flow Statement

(a) Reconciliation of net cash used in operating activities to operating loss after income tax

	2014 $	2013 $
Operating loss after tax	(1,023,864)	(1,007,381)
Add non-cash items:		
Depreciation	640	3,238
Share based payment	64,003	85,260
Directors' fees paid in shares	106,240	
Exploration expenditure paid in shares	83,750	-
Changes in net assets and liabilities		
Decrease/(Increase) in receivables	(2,573)	70,906
(Decrease)/Increase in payables	13,980	(77,235)
Net cash outflow from operating activities	(757,824)	(925,212)

(b) Non-cash financing and investing activities

The Group did not have any non-cash financing or investing activities during the year (2013: Nil).

15. Key Management Personnel Compensation

(a) Directors and Specified Executives

The names and positions held by key management personnel in office at any time during the year are:

Directors

S Boston	Non-Executive Chairman (appointed 1 September 2009)
R Scrimgeour	Non-Executive Director (appointed 1 September 2009)
G Schwab	Non-Executive Director (appointed 8 December 2009)
B Kay	Non-Executive Director (appointed 9 February 2011)

All of the above persons were also key management persons during the year ended 30 June 2014.

(b) Key management personnel remunerations

	2014	2013
Short-term employee benefits	213,900	240,000
Post-employment benefits	35,550	16,200
Share based payments	64,003	85,260
	313,453	341,460

Detailed remuneration disclosures are provided in the Remuneration Report section of the Director's Report.

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 30 June 2014

15. Key Management Personnel Compensation (Continued)

(c) Equity instrument disclosures relating to key management personnel

(i) *Options provided as remuneration and shares issued on exercise of such options*

Details of options provided as remuneration and share issued on the exercise of such options, together with terms and conditions of the options, can be found in the Remuneration Report section of the Directors' Report.

(ii) *Option holdings*

The number of options over ordinary shares in the Company held during the year by each director of the Company and other key management personnel, including their personally related parties, are set out below:

2014

Directors	***Balance at beginning of year***	***Granted as compensation***	***Exercised***	***Other changes***	***Balance at end of year***	***Vested and exercisable***
S Boston	-	-	-	-	-	-
R Scrimgeour	-	-	-	-	-	-
G Schwab	-	-	-	-	-	-
B Kay	250,000	-	(250,000)	-	-	-

2013

Directors	***Balance at beginning of year***	***Granted as compensation***	***Exercised***	***Other changes (A)***	***Balance at end of year***	***Vested and exercisable***
S Boston	680,995	-	(20,000)	(660,995)	-	-
R Scrimgeour	500,160	-	(140,000)	(360,160)	-	-
G Schwab	-	-	-	-	-	-
B Kay	584,852	-	(250,000)	(84,852)	250,000	250,000

A. Reflects listed options that expired on 15 January 2013.

(iii) *Shareholdings*

Ordinary Shares

The number of ordinary shares in the Group held during the financial year by each director and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the year as compensation.

2014

Directors	***Balance at beginning of year***	***Purchased***	***Other changes (A)***	***Balance at end of year***
S Boston	5,504,135	-	115,000	5,619,135
R Scrimgeour	4,587,500	-	93,000	4,680,500
G Schwab	-	-	-	-
B Kay	1,278,808	-	374,000	1,652,808

A. This represents shares issued as a result of accrued directors' fees from 2012/13 being paid at the Company's Annual General Meeting on 15 November 2013 and the exercise of unlisted options by B Kay.

15. Key Management Personnel Compensation (Continued)

(c) Equity instrument disclosures relating to key management personnel (Continued)

(iii) Shareholdings (Continued)

2013

Directors	*Balance at beginning of year*	*Purchased*	*Other changes (A)*	*Balance at end of year*
S Boston	5,447,947	36,188	20,000	5,504,135
R Scrimgeour	4,001,278	446,222	140,000	4,587,500
G Schwab	-	-	-	-
B Kay	678,808	-	600,000	1,278,808

A. This represents shares issued as a result of exercise of options during the financial year plus the vesting of Performance Rights to Mr Kay.

(iv) Performance Rights

The number of performance rights in the Company held during the financial year by each personally related parties, are set out below:

2014

Directors	*Balance at beginning of year*	*Granted as compensation*	*Vested*	*Other changes (ii)*	*Balance at end of year*	*Vested and exercisable*
S Boston	-	-	-	-	-	-
R Scrimgeour	-	-	-	-	-	-
G Schwab	-	-	-	-	-	-
B Kay	350,000	-	-	-	350,000	-

2013

Directors	*Balance at beginning of year*	*Granted as compensation*	*Vested*	*Other changes (ii)*	*Balance at end of year*	*Vested and exercisable*
S Boston	-	-	-	-	-	-
R Scrimgeour	-	-	-	-	-	-
G Schwab	-	-	-	-	-	-
B Kay	700,000	-	(350,000)	-	350,000	-

16. Related Party Disclosures

Key Management Personnel

(i) Mr Boston's directors' fees for the years were $65,550 (2013: $65,400) of which $54,625 was accrued and outstanding at year end. $10,876 was paid to Elshaw Pty Ltd during the year, a company in which Mr Boston has a relevant interest.

(ii) Mr Kay's directors' fees for the year were $43,700 (2013: $43,600) of which $32,775 was accrued and outstanding at year end. During the year, Mr Kay was also paid $52,800 (2013: $60,000) for geological consulting work that is outside the scope of his directors' duties.

(iii) Mr Scrimgeour's directors' fees for the year were $43,700 (2013: $43,600) all of which were accrued and outstanding at year end.

(iv) Mr Schwab's directors' fees for the year were $43,700 (2013 $43,600) which have been paid in full at year end.

The directors' fees were not paid during the year to preserve the Company's cash.

17. Share based payments

The Company has adopted an Employee Share Option Plan that allows for share options to be granted to eligible employees and officers of the Group. The number of share options that can be issued under the plan cannot exceed 5% of the total number of shares on issue. The terms and conditions of the share options issued under the plan are at the discretion of the Board.

No options were granted during the financial year.

Consultant options

The company has issued equity based payments to key corporate and strategic consultants of the company to provide an incentive for their future involvement and commitment.

	2014		2013	
	Number of Options	Weighted Average Exercise Price $	Number of Options	Weighted Average Exercise Price $
Opening amount	1,750,000	0.24	2,000,000	0.25
Exercised during the year				
- Consultant options	(1,000,000)	0.20	(250,000)	0.30
Closing amount	750,000	0.30	1,750,000	0.24

2014

Issue date	Expiry date	Balance at start of year	Number issued during year	Number exercised during year	Number expired during year	Balance at end of year	Number exercisable at end of year
2 July 2010	30 Jun 2014	1,000,000	-	(1,000,000)	-	-	-
2 July 2010	30 Jun 2015	750,000	-	-	-	750,000	750,000

2013

Issue date	Expiry date	Balance at start of year	Number issued during year	Number exercised during year	Number expired during year	Balance at end of year	Number exercisable at end of year
2 July 2010	30 Jun 2014	1,000,000	-	-	-	1,000,000	1,000,000
2 July 2010	30 Jun 2015	1,000,000	-	(250,000)	-	750,000	750,000

The following table gives the assumptions made in determining the fair value of the options granted:

Expiry date	30 Jun 2014	30 Jun 2015
Type	Consultant	Consultant
Dividend yield (%)	-	-
Expected price volatility (%)	50%	50%
Risk-free interest rate (%)	5.50%	5.50%
Expected life of options (years)	4	5
Option exercise price ($)	$0.20	$0.30
Share price at grant date	$0.09	$0.09
Number of options issued	1,000,000	1,000,000

17. Share based payments (Continued)

Performance Rights

The Company has adopted a Performance Rights Plan which allows for performance rights to be granted to employees, Directors and consultants of the Group,("Eligible Participants") of the Company by providing performance related incentives and rewards. Subject to certain criteria being satisfied, the Board may offer Eligible Participants performance rights which upon vesting will entitle the holder to one ordinary fully paid share in the Company for each performance right held.

During the 2012 financial year Mr Bruce Kay was awarded Performance Rights with the following conditions:

a. 300,000 Performance Rights will vest on the date that the Company, through its wholly owned subsidiary Kite Gold elects to continue after Phase 1 of the Four Eagles Heads of Agreement, as evidenced by satisfaction of the relevant condition precedents to Phase 2, being the issue and allotment of a further 750,000 Catalyst shares and payment of a further $100,000 in cash to Providence; and

b. 700,000 Performance Rights will vest on the date that the Company, through Kite Gold, becomes entitled to the transfer of a 50% interest in each of the exploration licences EL4525 and EL5295 under the Four Eagles Heads of Agreement.

On 19 March 2012, Mr Kay was issued with 300,000 ordinary fully paid shares in the Company when the vesting condition for the 300,000 Performance Rights was satisfied.

On 15 April 2013 the Company agreed with Mr Kay to alter the Performance Rights conditions to reflect the Amendment and Restatement Deed of the Heads of Agreement that was signed with Providence. Under the terms of the revised Performance Rights, Mr Kay agreed to defer the vesting and issue of 350,000 Performance Rights until the granting of the extension of EL4525 from 20 January 2013 had been granted and Catalyst, through Kite Gold, becomes entitled to a 60% interest in the Four Eagles Gold Project.

On 17 June 2013, Mr Kay was issued with 350,000 ordinary fully paid shares in the Company when Kite Gold became entitled to the transfer of a 50% interest in EL4525 and EL5295.

The Performance Rights have been valued at $0.304 each based on the following assumptions:

- Each Performance Right will vest (otherwise the Performance Rights have a nil value)
- The initial undiscounted value of each Performance Right is effectively the value of an underlying share in the Company and the valuation is based on the price range that Catalyst shares traded on ASX during July 2011
- No discount is applied for the vesting conditions, as these are not market based performance conditions
- A discount of 20% is applied to general restrictions, such as non-listed status, non-voting rights, no dividend rights and no rights to surplus on a winding-up, which result in a lesser value than an ordinary share
- Vesting periods have not been taken into account.

Providence Gold & Minerals Pty Ltd

On 15 August 2013,, in accordance with the Heads of Agreement signed on 24 December 2010 with Providence , Catalyst satisfied the Phase 3 condition precedents by issuing 250,000 ordinary fully paid shares to Providence and paying $30,000.

Directors Shares

On 15 November 2013, at the Company's 2013 Annual General Meeting, shareholders approved the issue of 332,000 ordinary fully paid shares to Messrs Boston, Scrimgeour and Kay in lieu of outstanding directors' fees for the 2012/13 financial year. The market price at the date of issue of the shares was $0.32 per share.

18. Auditors' Remuneration

	2014 $	2013 $
Amounts received or due and receivable by the auditors for:		
Auditing accounts	22,400	24,750
Other services	-	-
	22,400	24,750

19. Commitments

There were no outstanding commitments, which are not disclosed in the financial statements as at 30 June 2014 other than:

	2014 $	2013 $
(a) Tenement commitments		
No later than 1 year	181,900	129,500
Later than 1 year but not later than 5 years	-	-
	181,900	129,500

20. Financial Instruments

	Notes	Floating Interest Rate	1 year or less $	Over 1-5 years $	Non-interest bearing $	Total $
2014						
Financial assets						
Cash and cash equivalents	7	3.13%	1,031,251	-	-	1,031,251
Trade and other receivables	8	-	-	-	36,061	36,061
Total financial assets			1,031,251	-	36,060	1,067,312
Financial liabilities						
Trade and other payables	11		-	-	285,356	285,356
Total financial liabilities			-	-	285,356	285,356
Net financial assets			1,031,251	-	(249,295)	781,956

20. Financial Instruments (continued)

	Notes	Floating Interest Rate	1 year or less $	Over 1-5 years $	Non-interest bearing $	Total $
2013						
Financial assets						
Cash and cash equivalents	7	3.71%	1,114,656	-	-	1,114,656
Trade and other receivables	8	-	-	-	33,488	33,488
Total financial assets			1,114,656	-	33,488	1,148,144
Financial liabilities						
Trade and other payables	11		-	-	271,376	271,376
Total financial liabilities			-	-	271,376	271,376
Net financial assets			1,114,656	-	(237,888)	876,768

Reconciliation of net financial assets to net assets	**2014** **$**	**2013** **$**
Net Financial Assets	781,956	876,768
Property, plant & equipment	74	714
Exploration expenditure	-	-
Net Assets	782,030	877,482

The Group's principal financial instruments comprise cash, short-term deposits and financial assets at fair value through comprehensive income.

The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as sundry receivables, and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are cash flow interest rate risk and equity price risk. Other minor risks are either summarised below and Note 12 with respect to capital risk management. The Board reviews and agrees policies for managing each of these risks.

20. Financial Instruments (Continued)

Market Risks

Interest rate risks

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

Interest rate sensitivity

At 30 June 2014, if interest rates had changed by 100 basis points during the entire year with all other variables held constant, profit for the year and equity would have been $10,254 (2013: $11,146) lower/higher, mainly as a result of lower/higher interest income from cash and cash equivalents.

A sensitivity of 100 basis points has been selected as this is considered reasonably possible in the current economic environment. Based on the sensitivity analysis only interest revenue from variable rate deposits and cash balances are impacted resulting in a decrease or increase in overall income.

Credit risk

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

Liquidity risk

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

21. Segment Information

The Group operates predominantly in one business segment and in one geographical location. The operations of the Group consist of mineral exploration, within Australia.

22. Subsequent Events

On 12 September 2014, the Company announced that all conditions precedent to the Heads of Agreement with Navarre Minerals Limited (**Navarre**)had been satisfied and completion has occurred. Under the Heads of Agreement, Catalyst has the right ot earn a 51% equity interest in the Tandarra Gold Project located north of Bendigo in Victoria. In accordance with the terms of the agreement, Catalyst issued 250,000 ordinary fully paid shares to Navarre and made a cash payment of $50,000 (exc. GST). Otherwise, there have been no other subsequent events since the end of the financial year.

23. Contingent Liabilities and Contingent Assets

The Group does not have any contingent liabilities or contingent assets at 30 June 2014.

24. Parent Entity Disclosure

	2014 $	2013 $
Total current assets	1,046,820	1,138,042
Total assets	1,046,996	1,138,858
Total current liabilities	275,356	261,376
Total liabilities	275,356	261,376
Equity		
Contributed equity	9,453,634	8,589,225
Share based payments reserve	228,008	164,005
Accumulated losses	(8,910,002)	(7,875,748)
Total equity	771,640	877,482
Loss for the year	(1,034,254)	(1,007,381)
Total comprehensive income	(1,034,254)	(1,007,381)

CATALYST METALS LIMITED

DIRECTORS' DECLARATION

The Directors of the Company declare that in the opinion of the Directors:

1. the financial statements and notes are in accordance with the Corporations Act 2001 and:
    (a) comply with Accounting Standards and the Corporations Regulations 2001; and
    (b) give a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year then ended;
2. the financial statements and notes thereto also comply with International Financial Reporting Standards, as disclosed in Note 1;
3. the directors have been given the declarations required by section 295A of the Corporations Act 2001; and
4. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a circular resolution of the Board of Directors.

Stephen Boston
Chairman

Dated at Perth this 30th day of September 2014

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CATALYST METALS LTD

Report on the Financial Report

We have audited the accompanying financial report of Catalyst Metals Ltd, which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1(b), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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RSM Bird Cameron Partners is a member of the RSM network. Each member of the RSM network is an independent accounting and advisory firm which practises in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Catalyst Metals Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Catalyst Metals Ltd is in accordance with the *Corporations Act 2001*, including:

 (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and

 (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1(b).

Report on the Remuneration Report

We have audited the Remuneration Report contained within the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Catalyst Metals Ltd for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

Perth, WA
Dated: 30 September 2014

JAMES KOMNINOS
Partner

CORPORATE GOVERNANCE STATEMENT

A description of the Company's main corporate governance practices is set out below. These practices, unless otherwise stated, were in place for the entire financial year. Copies of relevant corporate governance policies and charters are available in the corporate governance section of the Company's web-site at www.catalystmetals.com.au.

Good corporate governance will evolve with the changing circumstances of a company and must be tailored to meet these circumstances. Catalyst Metals Limited is a junior exploration company which currently operates with no permanent staff and no executive directors.

BOARD OF DIRECTORS

The Board is responsible for guiding and monitoring the Company on behalf of shareholders by whom they are elected and to whom they are accountable. The Board's primary role is to formulate the strategic direction of the Company and to oversee the Company's business activities and management.

The Company has established functions reserved for the Board and those to be delegated to senior management, as set out in the Company's Board charter. The charter states that the Board is responsible for:

- the overall strategic direction and leadership of the Company;
- approving and monitoring management implementation of objectives and strategies;
- approving the annual strategic plan and monitoring the progress of both financial and non-financial performance;
- the corporate governance of the Company, and
- the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the Company.

Due to the level and nature of the Company's current activities, there is presently no designated Managing Director position within the Company. A Managing Director will be appointed for the Company when the level of activities and circumstances warrant. Upon the appointment of a Managing Director, day to day management of the Company's affairs and the implementation of corporate strategies will be formally delegated by the Board to the Managing Director.

Board composition and independence

The Board charter states that the Board is to comprise an appropriate mix of both executive and non-executive directors and where possible, the roles of Chairman and Managing Director are not to be combined.

The Company has a four member Board comprising four non-executive directors, including the Chairman. Mr Boston and Mr Scrimgeour are not considered independent by virtue of their respective major shareholdings in the Company, neither is Mr Kay by virtue of financial remuneration during the year. Mr Schwab is considered an independent director based on the principles set out below.

Board members should possess complementary business disciplines and experience aligned with the Company's objectives, with a number of directors being independent and where appropriate, major shareholders being represented on the Board. Under present circumstances, there is not a majority of directors classified as being independent, according to ASX guidelines. Where any director has a material personal interest in a matter, the director must declare his interest and is not permitted to be present during discussions or to vote on the matter.

The current composition of the Board is considered suitable for the Company's current size and level of operations and includes an appropriate mix of skills, expertise and experience relevant to the Company's business. Details of the experience, qualifications and term of office of directors are set out in the Directors' Report.

CORPORATE GOVERNANCE STATEMENT

Having regard to the share ownership structure of the Company, it is considered appropriate by the Board that a major shareholder may be represented on the Board and if nominated, hold the position of Chairman. Such appointment would not be deemed to be independent under ASX guidelines. The Chairman is expected to bring independent thought and judgement to his role in all circumstances. Where matters arise in which there is a perceived conflict of interest, the Chairman must declare his interest and abstain from any consideration or voting on the relevant matter.

The Board has adopted ASX recommended principles in relation to the assessment of directors' independence, which identifies shareholdings, executive roles and contractual relationships which may affect independent status. Financial materiality thresholds used in the assessment of independence are set at 10% of the annual gross expenditure of the Company and/or 25% of the annual income or business turnover of the director.

Directors have the right, in connection with their duties and responsibilities, to seek independent professional advice at the Company's expense, subject to the prior written approval of the Chairman, which shall not be unreasonably withheld.

Performance assessment

The Board has adopted a policy for an annual self-assessment of its collective performance, the performance of individual directors and of Board committees. The Chairman meets with each non-executive director separately to discuss individual performance and the Board as a whole discusses and analyses its performance over the previous 12 months and examines ways in which the Board can better perform its duties. No formal assessment was undertaken during the year, however, the Chairman assesses the performance of the Board, individual directors and Board committees on an ongoing basis and undertakes informal appraisals with relevant directors.

The performance of senior executives will be reviewed annually by the Board through a formal performance appraisal and interview. Currently, the Board is collectively responsible for the evaluation of any senior executives. Executive remuneration and other terms of employment will be reviewed annually by the Board having regard to performance, relevant comparative information and where appropriate, expert advice. The Company does not presently have any senior executive positions and accordingly, no formal evaluation of senior executive performance was undertaken during the year.

BOARD COMMITTEES

The Board has established a separate audit committee. Matters determined by the committee are submitted to the full Board as recommendations for Board consideration.

Membership of the audit committee comprises two non-executive directors, Mr Schwab (chairman) and Mr Scrimgeour. Details of the qualifications of committee members and attendance at audit committee meetings are set out in the Directors' Report.

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

- reviewing and approving statutory financial reports and all other financial information distributed externally;
- co-ordination and appraisal of the quality of the audits conducted by the Company's external auditor;
- determination of the independence and effectiveness of the external auditor;
- assessment of whether non-audit services have the potential to impair the independence of the external auditor;
- reviewing the adequacy of the reporting and accounting controls of the Company.

The current size of the Board and the stage of development of the Company do not warrant the establishment of separate remuneration or nomination committees. The directors as a whole are responsible for the functions normally undertaken by these committees. In circumstances where the growth or complexity of the Company changes, the establishment of separate committees will be reconsidered.

CORPORATE GOVERNANCE STATEMENT

The Board reviews all remuneration policies and practices for the Company, including overall strategies in relation to executive remuneration policies and compensation arrangements for any executive directors and senior management, as well as all equity based remuneration plans. The structure for the remuneration of non-executive directors and senior executives is separate and distinct. Details of the Company's remuneration policies are set out in the Remuneration Report section of the Directors' Report.

Board nomination procedures

The current size of the full Board permits it to act as the nomination committee and to regularly review membership. When a Board vacancy occurs, the Board identifies the particular skills, experience and expertise that will best complement Board effectiveness and then undertakes a selection process to identify candidates who can meet those criteria.

EXTERNAL AUDITORS

RSM Bird Cameron was appointed as external auditors in May 2006. The current audit engagement partner has conducted the audit since December 2011 with rotation due no later than five years from that date. The performance of the external auditors is reviewed annually.

The external auditors provide an annual declaration of their independence to the Board. The auditors are requested to attend annual general meetings and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Corporate reporting

The chief executive officer (or equivalent) and chief financial officer provide a declaration to the Board that the Company's external financial reports present a true and fair view of the Company's financial condition and operational results and that the declaration in relation to the integrity of the Company's external financial reports is founded on sound risk management and internal control systems and that those systems are operating effectively in relation to financial reporting risks.

RISK MANAGEMENT

The Board is responsible for the oversight of the Company's risk management and control framework. Responsibility for control and risk management will be delegated in the future to the appropriate level of management within the Company with the Managing Director (or equivalent) having ultimate responsibility to the Board for the risk management and control framework.

The Company's risk management systems are evolving and it is recognised that the extent of the systems will develop with the growth in the Company's activities. Internal controls are designed to manage both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial and non-financial information.

As the Board currently has responsibility for the monitoring of risk management it has not required a formal report regarding the material risks and whether those risks are managed effectively.

CODE OF CONDUCT

A formal code of conduct has been established and applies to all directors and employees, to guide compliance with the legitimate interests of all stakeholders. The code aims to encourage the appropriate standards of conduct and behaviour of the directors, employees and contractors of the Company. All personnel are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

The Company's share trading policy prohibits the purchase or disposal of securities by directors, senior executives and other designated persons in the period of one week prior to the release of quarterly reports and the Company's annual and half-year financial results. Any proposed transactions to be undertaken must be notified to the Chairman in advance. Directors are also required to immediately advise the Company of any transactions conducted by them in the securities of the Company.

CORPORATE GOVERNANCE STATEMENT

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

EMPLOYMENT DIVERSITY

The Board recognises the benefits of achieving an appropriate mix of diversity on its Board and throughout the Company as a means of enhancing the Company's performance and organisational capabilities. However, due to the current size and stage of development of the Company and there being no permanent employees, the Board has elected not to establish a formal diversity policy at this stage.

The Company aims to achieve an appropriate mix of diversity on its Board, in senior management and throughout the organisation. The Board has determined that no specific measurable objectives will be established until such time as the number of employees and level of activities of the Company increases to a level sufficient to enable meaningful and achievable objectives to be developed.

The appropriate mix of skills and diversity for membership of the Board is considered as part of ongoing nomination and succession planning and which recognises the value of balanced gender representation.

The Board currently comprises four directors, none of whom are female. The Company Secretary and the Chief Financial Officer are both male. There are no other officers or employees of the Company.

CONTINUOUS DISCLOSURE AND SHAREHOLDER COMMUNICATIONS

The Company has a formal written policy for the continuous disclosure of any price sensitive information concerning the Company. The Board has also adopted a formal written policy covering arrangements to promote communications with shareholders and to encourage effective participation at general meetings.

The Chairman and Company Secretary have been nominated as the Company’s primary disclosure officers. All information released to the ASX is posted on the Company’s web-site immediately after it is disclosed to the ASX. When analysts are briefed on aspects on the Company’s operations, the material used in the presentation is released to the ASX and posted on the Company’s web-site.

All shareholders are entitled to elect to receive a printed copy of the Company’s annual report. In addition, the Group makes all market announcements, media briefings, details of shareholders’ meetings, press releases and financial reports available on the Company’s web-site.

ADDITIONAL INFORMATION

The following information was reflected in the records of the Company as at 11 September 2014.

Distribution of share and option holders

	Number of holders Fully paid shares
1 - 1,000	36
1,001 - 5,000	34
5,001 - 10,000	38
10,001 - 100,000	100
100,001 and over	62
	270
Including holdings of less than a marketable parcel	31

Substantial shareholders

The following shareholders have lodged a notice of substantial shareholding in the Group.

Shareholder	Number of shares	%
Trapine Pty Ltd	5,484,135	10.90
Drill Investments Pty Ltd	4,946,667	9.83
Robin Scrimgeour	4,587,500	9.12
Gavin Caudle	3,873,625	7.70
Kenneth Raymond Teagle	3,424,294	6.81
Toby Mountjoy	2,928,126	5.82

Twenty largest holders of fully paid shares

Shareholder		Shares	%
1.	Drill Investments Pty Ltd	4,946,667	9.83
2.	Trapine Pty Ltd	4,766,273	9.48
3.	Robin Scrimgeour	4,680,500	9.30
4.	Gavin Caudle	3,873,625	7.70
5.	Kenneth Raymond Teagle	3,518,783	7.00
6.	Toby Mountjoy	2,395,995	4.76
7.	Chepalix Pty Ltd	2,375,600	4.72
8.	Providence Gold & Minerals Pty Ltd	1,775,000	3.53
9.	National Nominees Ltd	1,575,962	3.13
10.	Kimberley Downs Pty Ltd	887,063	1.76
11.	Bruce Kay & Henriette Kay	878,808	1.75
12.	Vestcourt Pty Ltd	787,500	1.57
13.	Bruce David Kay	774,000	1.54
14.	HSBC Custody Nominees (Australia) Ltd	715,500	1.42
15.	John Paul Sisterson	699,731	1.39
16.	Roger George Davis	688,625	1.37
17.	Lafferty AH ATF <Sarah Boston A/C>	676,898	1.35
18.	Elshaw Pty Ltd	582,096	1.16
19.	Lindway Investments Pty Ltd	537,500	1.07
20.	Invia Custodian Pty Ltd	535,000	1.06
		37,671,126	74.89

ADDITIONAL INFORMATION

Classes of shares and voting rights

At meetings of members or classes of members, each member entitled to vote may vote in person or by proxy or attorney. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and on a poll, every person present in person or by proxy has one vote for each ordinary share held.

Unquoted securities

The following classes of unquoted securities are on issue:

	Number	**Holders of greater than 20% of each class of security**		
Security	**on issue**	**Name of holder**	**Number**	**%**
Options over fully paid shares exercisable:				
- at 30 cents each on or before 30.06.15	750,000	John Arbuckle	375,000	50.0
		Frank Campagna	375,000	50.0
- at 30 cents each on or before 30.06.16	167,667	Drill Investments Pty Ltd	167,667	100.0
Performance Rights (i)	350,000	Bruce Kay	350,000	100.0

(i) Vest on the date that the Company, through Kite Gold Pty Ltd, becomes entitled to a 60% interest in each of exploration licences EL4525 and EL5295 under the Four Eagles Heads of Agreement.

Tenement directory

Project	**Tenement number**	**Beneficial interest**
Victoria		
Everton	EL4866	100%
Four Eagles	EL4525	50%
Four Eagles	EL5295	50%
Tandarra	EL4897	Earning 51%
Sebastian	EL4536	51%
Sebastian	EL4974	51%
Raydarra	EL5266	Earning 51%
Pyramid	EL5508	50%
Raydarra East	EL5509	100%

Competent person statement

The information in this report that relates to exploration results is based on information compiled by Mr Bruce Kay, a Competent Person, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Kay is a non-executive director of the Company and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Kay consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Much of the information relating to the Four Eagles project was prepared and first disclosed under the JORC Code 2004. This information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was reported.

Information relating to the Tandarra project was first disclosed by previous tenement holders under the JORC Code 2004. This information has been subsequently reported by the Company in accordance with the JORC Code 2012, refer to announcement dated 1 September 2014.