Artemis Resources Limited
and its controlled entities

Annual financial report
for the year ended
30 June 2015

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CONTENTS PAGE

REVIEW OF OPERATIONS

Dear Shareholders,

On behalf of the Directors of Artemis Resources Limited ("Artemis"), it gives me pleasure to present your Company's progress for the financial year ending 30 June 2015.

Progress on the Company's projects is outlined under the following project headings:

West Pilbara – Gold and Base Metals
Eastern Hills – Antimony and Lead
Mt Clement – Gold
Buchanan's Creek – Tantalum and Lithium

Highlights

- ✓ **Access and Heritage Agreement signed in November 2014 with Ngarluma Aboriginal Corporation community approval June 2015.**
- ✓ **Artemis now planning heritage surveys ahead of exploration of a number of nickel/copper/gold targets within the West Pilbara project.**
- ✓ **Programme of work for West Pilbara drilling approved and drilling anticipated 2H calendar 2015**
- ✓ **Edward Mead, experienced Pilbara base metals and gold geologist and Campbell Baird, experienced mining engineer, appointed to the Board**
- ✓ **Farm in agreement finalised with Platina on Munni Munni platinum group elements project**

West Pilbara Native Title Agreement

A Native Title Agreement (NTA) was executed by the board of the Ngarluma Aboriginal Corporation (NAC) in November 2014 followed by community approval in June 2015. The NTA provides a foundation for Artemis to complete heritage surveys ahead of any proposed on-ground exploration activities, and allows Artemis to fully comply with, and discharge its obligations under Aboriginal heritage and native title legislation. The final execution of this agreement was an important milestone for Artemis and will allow exploration to commence on the large West Pilbara tenement portfolio, following all necessary regulatory approvals and surveys.

Drilling is expected to take place on key targets in 2015. The last major drilling campaign in the area was in the late 1990's.

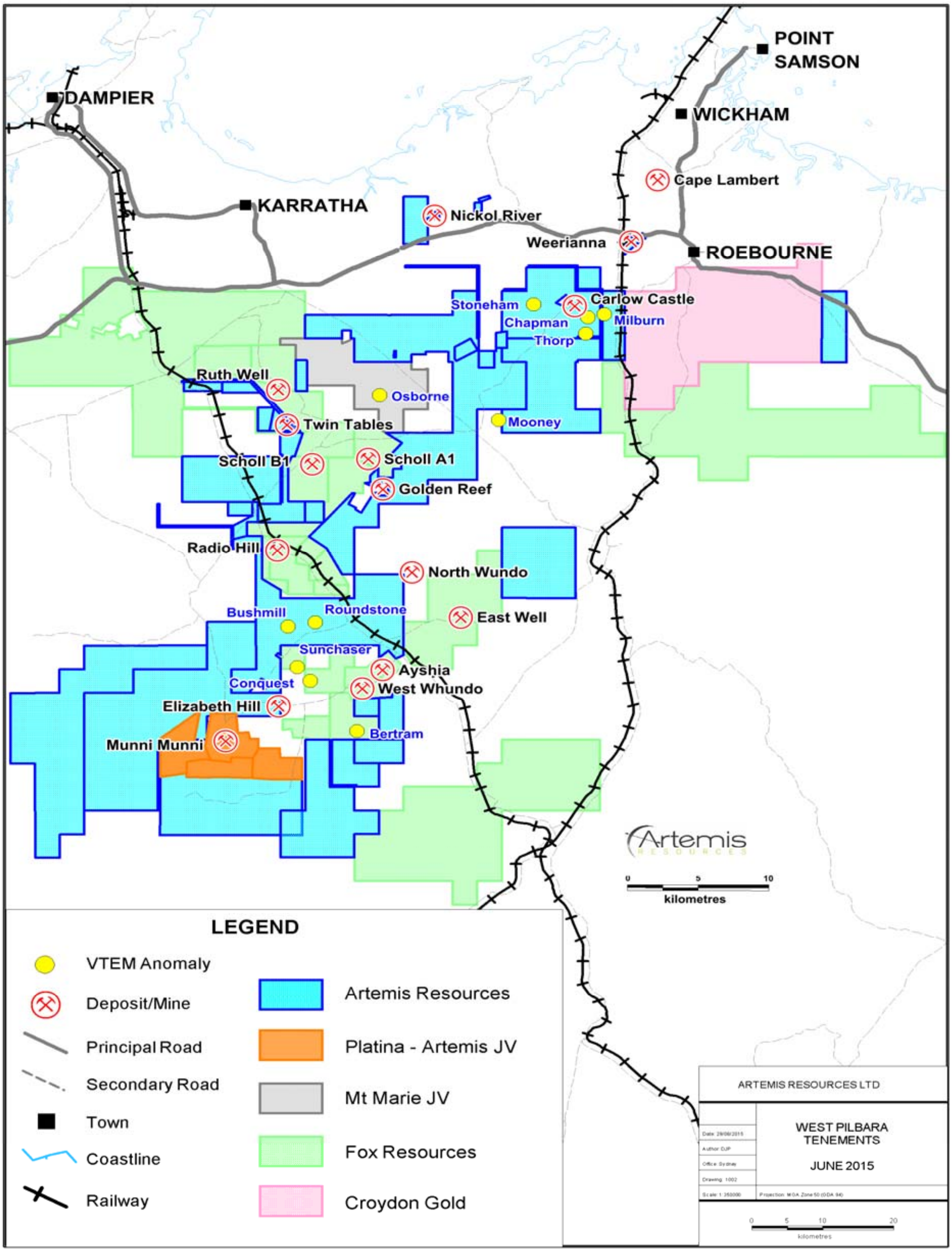

Figure 1: Artemis West Pilbara Project Tenements and Priority VTEM Anomalies

Carlow Castle Project Area (100%)

The West Pilbara region hosts a number of nickel, copper, platinum group element (PGE) and gold deposits, including the Radio Hill nickel sulphide mine, discovered in the 1980s, which was in production until 2008 and is located approximately 25 kilometres southwest of Carlow Castle (Figure 1). There has been limited exploration drilling in the region in recent years, and there is the potential to discover further base metal, PGE and gold deposits using the latest exploration technology and quality technical expertise.

Artemis' aim is the discovery of a major nickel/copper deposit in the West Pilbara. A geophysical review was completed in late 2014 by independent geophysical consultants, Southern Geoscience Consultants, which identified 9 priority targets. A total of 13 RC drill holes were recommended to test airborne VTEM (Electro Magnetic) targets refined by ground based Electro Magnetic surveys.

Of the identified targets, Artemis has identified two for priority drill testing as part of an initial Phase 1 drilling program (Figure 2). These are the Goodluck and Little Fortune anomalies, which have the potential to host nickel-copper mineralisation associated with the Andover Intrusive Complex. Furthermore, these targets are within close proximity to Artemis's Carlow Castle copper-gold deposit, which contains a JORC (2012) Inferred Mineral Resource of **418,000 tonnes @3.0 g/t gold (Au), and 0.6% copper (Cu) for total contained metal of 40,000 ounces of Au, and 2,500 tonnes of Cu**[1]. Both the Goodluck and little Fortune anomalies, and the Carlow Castle deposit, are located within E47/1797[2].

The Goodluck anomaly (Figure 2) is located 1 kilometre to the south of Carlow Castle, and coincides with historic copper-gold workings, within Gabbro of the Andover Intrusive Complex (AIC). The original airborne VTEM anomaly trends west-northwest with a strike length of 600m, extending well beyond the limit of the historic workings. Follow up ground based FLTEM over the anomaly identified two discrete, shallow bedrock conductors at depths of 40m and 60m respectively. Historic follow-up soil and rock chip sampling also identified coincident copper and nickel anomalism. The first of the FLTEM conductors will be tested with a single drill hole during the planned Phase 1 drilling program.

The Little Fortune anomaly (Figure 2) is located 2 kilometres to the south of Carlow Castle, and coincides with historic copper-gold workings, within Gabbro of the Andover Intrusive Complex. The strike of the workings is 600m, and 419 tonnes of copper ore was mined from 1901- 1919. A further 14 tonnes was mined from 1963-1964. Drilling in the area has intersected gold and chalcopyrite (copper ore), but drill samples were only ever assayed for gold.

At this stage of exploration Artemis is targeting what it believes to be massive copper sulphides, and due to the location of the EM anomalies in the AIC we are also looking to test and check for nickel and PGE mineralisation.

A Programme of Work has also been submitted and approved by the Department of Mines for Reverse Circulation (RC) drilling.

The depth to top of EM targets is also shallow with RC drilling to a depth of 175 metres at Goodluck, 225 metres at Little Fortune and 100m at Fortune South. All drill holes will have down-hole electromagnetics undertaken.

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[1] As per ASX announcement dated 30 June 2014 "Acquisition of Gold Project Acquisition - Update on West Pilbara Resource Status"

[2] As per ASX announcement dated 11 November 2014 "Drilling Planned to test Significant Nickel-Copper Anomalies – West Pilbara Project

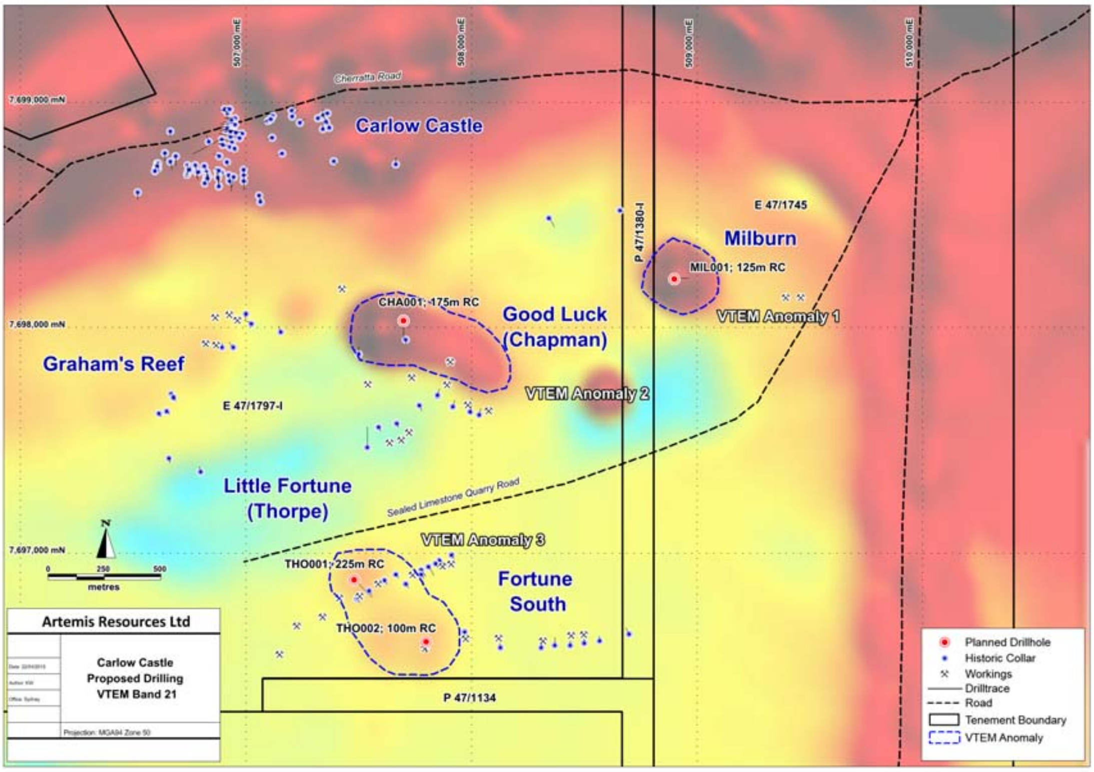


Figure 2: Carlow Castle and VTEM Anomalies (VTEM Band 21 as Background)

Weerianna Gold Project (80%)

The Weerianna Gold Project currently hosts a JORC (2012) Inferred Mineral Resource of **1 million tonnes at 2.2 g/t Au for a total of 70,000 ounces** of gold[3]. Excellent potential exists for a substantial increase in tonnage, as the current resource is open at depth, and along strike. The Weerianna project is within 7 kilometres of Carlow Castle.

The completion of the Western Metals acquisition is part of an ongoing process of aggregating tenements within the West Pilbara area that are geographically proximate and geologically contiguous with the potential of hosting a volume of resource which is economically viable.

Once heritage clearance has been gained it is intended that a Programme of Work (POW) will be submitted to the Department of Minerals and Petroleum (DMP) for trenching to be undertaken looking for east-west gold mineralised structures. If this identifies structures of interest a Sub-audio magnetic survey will be completed and a POW for drilling submitted.

Mt Sholl East Joint Venture (34%)

Artemis is to acquire (subsequent to balance date) all the shares in Shear Zone Mining Pty Ltd, a private company that holds 34 of 100 shares in the Mt Sholl East Joint Venture (MSEJV). The MSEJV operates the Mining Licences M47/93 and M47/232 which are contiguous to Artemis Mining Licences M47/288 and M47/177, known as the Queens Reef gold workings. Artemis tenement E47/1746 surrounds the Queens Reef area and is the focus of early stage exploration looking at strike extensions of gold mineralisation.

[3] As per ASX announcement dated 30 June 2014 "Completion of Gold Project Acquisition – Update on West Pilbara Resource Status"

Munni Munni Joint Venture (Artemis to earn 70%)

The Munni Munni Project (Figure 1) hosts the largest intrusion in the West Pilbara and hosts a JORC 2004 compliant Resource of **24 Mt @ 2.9 g/t Platinum Group Element (PGE) + gold** (1.4Mt Inferred, 9.8Mt indicated and 12.4Mt Measured) (0.83Moz platinum. 1.14Moz palladium, 152Koz gold and 76Koz rhodium)[4]. Munni Munni is the largest as yet un-mined primary PGE Resource in Australia.

The Project is contiguous to Artemis tenements on all sides and continues the Company's vision to consolidate a previously fragmented tenement holding region.

Exploration and Development Strategy

Artemis will undertake a full review of all previous geophysical surveys. The eastern side of Munni Munni remains unexplored and an airborne electromagnetic survey is proposed, but will be confirmed after the full review.

The existing resource will be updated from JORC 2004 to JORC 2012.

Metallurgical processing flow sheets will be reviewed in light of new and recent technological advances. Metallurgical recoveries may be significantly higher using modern flow sheets, which are currently practised in the South African PGE industry and this needs to be represented in the style of future test work completed.

The project will benefit from improved metallurgical recoveries, metal prices and a lower Australian Dollar and active exploration and evaluation of targets, including extensions of the Ferguson Reef and new discoveries of contact and/or discordant precious and base metal mineralisation.

Transaction Terms

The binding agreement that has been entered into with Platina ("Agreement") provides for Artemis's wholly-owned subsidiary, Karratha Metals Pty Limited ("Karratha"), to earn a 70% interest in the Project by expending $750,000 over a 3 year period. During its earn in, Karratha must keep the tenements in good standing.

A royalty of $400,000 is payable to Franco-Nevada Corporation on achieving commercial mining production. Franco-Nevada Corporation is a Canadian company headquartered in Toronto with additional offices in the U.S., Australia and Barbados, all of which are used to manage Franco-Nevada's leading gold-focused and other commodity royalty and streaming investments. Franco-Nevada shares trade on the Toronto Stock Exchange and New York Stock Exchange. Franco-Nevada, with a market capitalization over US$7 Billion, owns and continues to grow a large, diversified portfolio of royalties. Upon and subject to earning a 70% interest in the Project, Karratha shall assume the obligation to pay the royalty to Franco-Nevada.
Artemis issued 100 million Artemis shares to Platina Resources Limited on completion of the Agreement.

Tenure Location and History

The Munni Munni Project is located (Figure 1) in the world-class Pilbara mining region of northern Western Australia, approximately 55km south of the port and rail hub of Karratha which is the regional administrative and service centre supporting the Paraburdoo, Tom Price and Pannawonica iron ore mines and the North West Shelf gas operations. The Munni Munni Project is extremely well located, near the port of Dampier, with grid power and groundwater available on site, and the area has an abundant skilled workforce nearby.

The PGE potential was first recognised by world renowned expert Dr. John Ferguson (former Division Head/Acting Director at the BMR, now Geoscience Australia, and ex-Platina Non-Executive Director) in the 1980's, and accordingly, the identified mineralised horizon is referred to as the "Ferguson Reef". Exploration activities since the initial discovery have defined a significant PGE and gold resource making it

[4] As per ASX announcement dated 5 August 2015 "Artemis to earn majority interest in Australia's largest platinum deposit"

Australia's largest undeveloped primary platinum-palladium project. The entire known resource is contained within four granted mining leases and all likely extensions of the Ferguson Reef are within Artemis exploration tenements.

Geology

The Munni Munni Project area is situated within the Archaean Pilbara Block of the Pilbara Craton, which consists of an elongate east-west trending granite greenstone terrain. The late Archaean Munni Munni Igneous Complex (MMIC) is a layered mafic-ultramafic intrusion emplaced into granitic rocks of the west Pilbara Block. The MMIC is the largest (25km x 9km) and one of the best preserved of a number of complexes, which occur throughout the Pilbara and has been dated at 2.92 Ga.

The MMIC is a 'boat-shaped' intrusive complex composed of an alternating sequence of ultramafic rocks overlain by a thick mafic package of predominantly gabbroic rock (Figure 3). The mineralised Ferguson Reef occurs at the contact between the lower ultramafic rocks and the upper gabbroic rock types. The intrusion is likely in excess of 5km thick with the keel of ultramafic material 1800m thick and the upper gabbroic package 3600m thick.

The uppermost unit of the ultramafic zone is a medium to coarse grained porphrytic websterite. The upper portion of this unit is the host to the PGE mineralised Ferguson Reef. The most obvious alteration in the ultramafic series is the serpentinisation of olivine although pervasive talc alteration is also apparent.
The upper gabbroic material is a monotonous sequence of poorly layered gabbro to gabbro-norite.
The southern portion of the MMIC is unconformably overlain by flat-lying sediments and volcanics of the Mount Bruce Supergroup and more particularly the Fortescue Group.

Mineralisation

The Ferguson Reef PGE mineralisation (Figure 3) averages 2.6 m (range 1-9 metres) thickness, has an approximate 2km strike length and extends from surface to more than 1km depth at a dip of 45^{o}. The mineralisation has two ore domains comprising 'high sulphide' (Cu >1000ppm) and 'low sulphide' (Cu <1000ppm). The dominant sulphides are chalcopyrite and pyrrhotite with trace pentlandite, typically comprising 1% to 2%. Chromite does not occur as an accessory mineral in the reef, which would make the concentrates more valuable than traditional higher chromium concentrates.

The Munni Munni Resource

Munni Munni has a Measured, Indicated and Inferred Mineral Resource (Figure 4), reported in accordance with the JORC Code 2004, for mineralisation within the Ferguson Reef (Table 1). The estimation was first completed by SRK Consulting in July 2002 and then was estimated and confirmed by Snowden's in 2003. Platina Resource's then completed an estimation in 2004 to confirm the resource, with Rob Mosig being the competent person. This resource includes all drilling completed in the Cherratta, Pinderi, Central, Maitland and Yannery Zones of the Northern Domain. The resource does not included additional drilling completed by Platina in 2007.

Artemis intends to update the resource to JORC 2012.

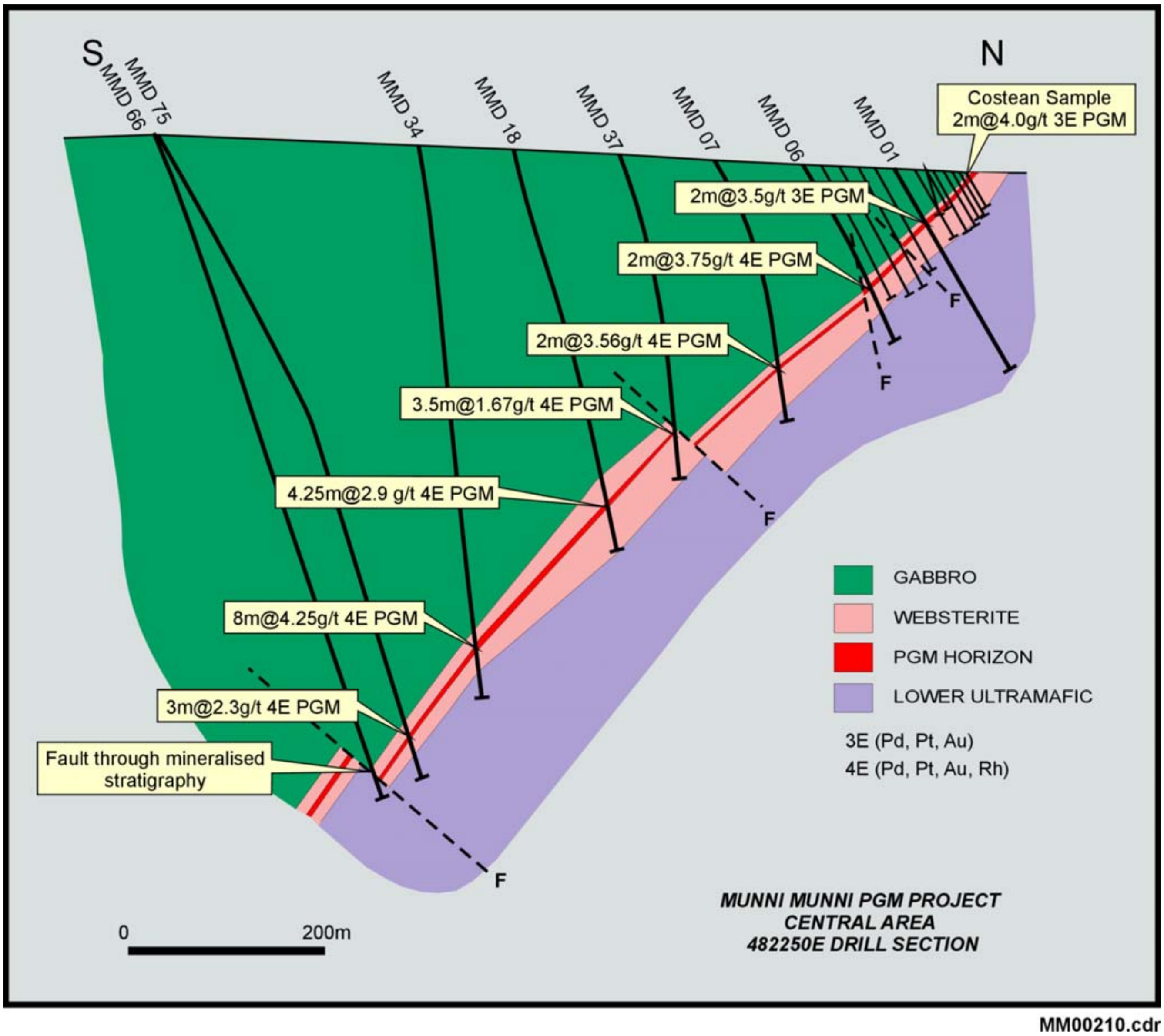


Figure 3. Munni Munni drill section Central Area

								Contained Metal Moz		
JORC Category	**Million Tonnes**	**Pt g/t**	**Pd g/t**	**Au g/t**	**Rh g/t**	**Cu %**	**Ni %**	***Pt***	***Pd***	***Au***
Measured	12.4	1.1	1.4	0.2	0.1	0.09	0.07	*0.44*	*0.56*	
Indicated	9.8	1.1	1.6	0.3	0.1	0.22	0.11	*0.35*	*0.50*	
Inferred	1.4	1.1	1.6	0.3	0.1	0.15	0.09	*0.05*	*0.07*	
Total	**23.6**	**1.1**	**1.5**	**0.2**	**0.1**	**0.15**	**0.09**	***0.83***	***1.14***	***0.15***

Table 1. Munni Munni undiluted JORC 2004 resource estimate at a cut-off grade of 1.9g/t PGE + Au (SRK, 2002, subsequently confirmed by Snowden, 2003, as reported in Platina Annual Report)

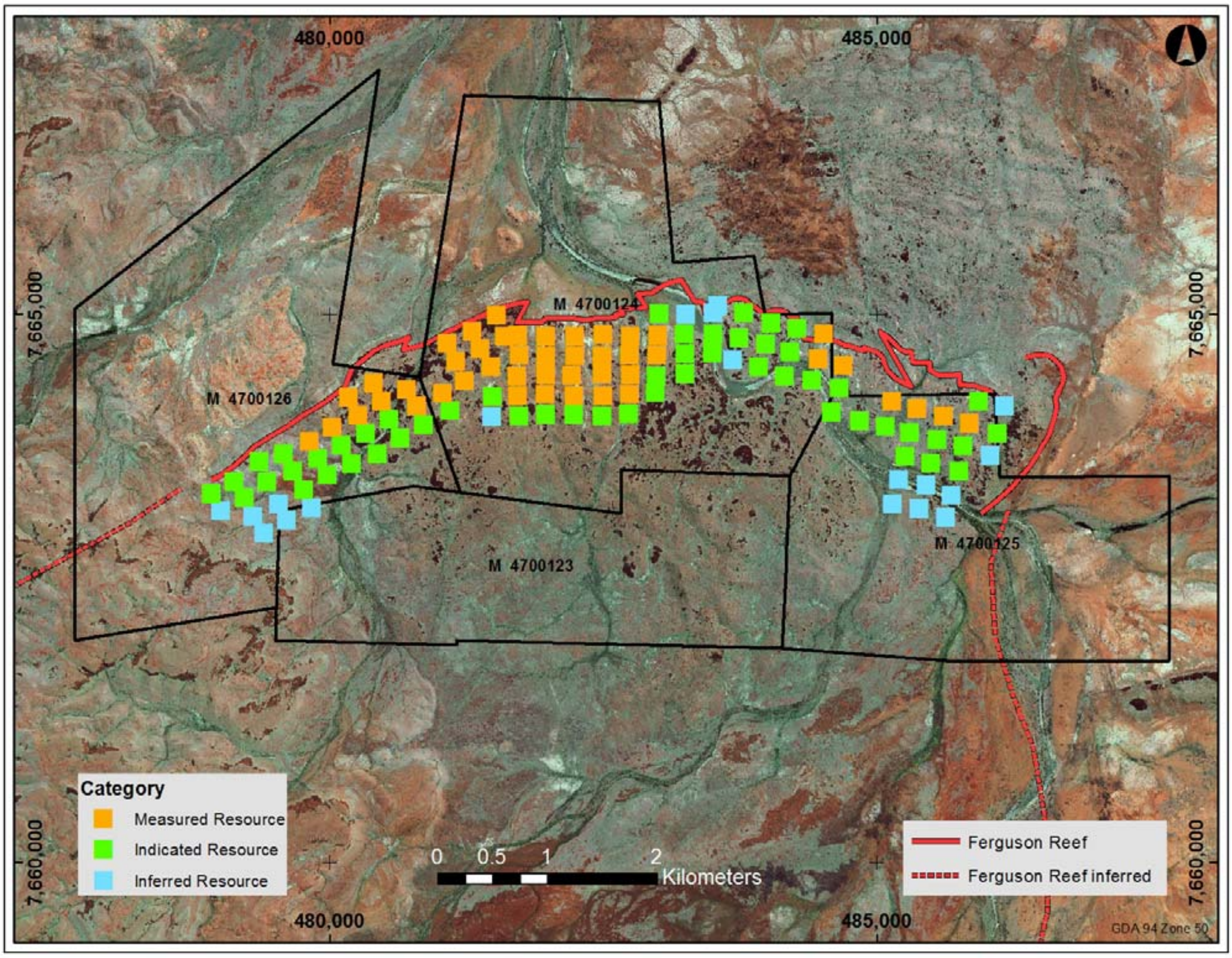


Figure 4. Plan view of the Measured, Indicated and Inferred resources draped over aerial photo. The blocks represent offset block centroids at 1500ppb Pt-Pd+Au cut-off, coloured by resource category.

Metallurgical Test Work and Mining Studies

Preliminary metallurgical test work completed in 1988 indicated that conventional flotation would concentrate the PGE sulphide mineralisation. Further test work in 2001 (on twelve year-old core) incorporated batch roughing and cleaning flotation tests with moderate PGE recoveries of the high sulphide and low sulphide ore of 70% and 66% respectively. This basic flotation test work has not used modern reagent schemes for PGE recovery, which may be improved in future test work.

An economic study by AMC Consultants in 2010 produced a mine plan (combined open pit and underground) and economic model and a review of this work by Whittle Consulting Pty Ltd in 2011 concluded that the project was sub-economic, citing the major factor as being current metal prices, the Australian Dollar exchange rate with the US Dollar and a moderate resource size.

Artemis believes that if more resources can be defined within the MMIC or within the Artemis tenure that surrounds the MMIC, that the capital cost could be shared by increased resources and could improve the economics.

Amitsoq Graphite (90%)

During the period to the date of this report Artemis completed an agreement to acquire 90% of the company, which has the right to acquire 100% of exploration licence 2013/06 in Southern Greenland. The licence comprises the historic Amitsoq Graphite Mine and is prospective not only for graphite but also for gold, copper, nickel and platinum group elements (PGEs).

Artemis is currently reviewing its funding options for Amitsoq.

Eastern Hills Antimony-Lead (80%)

Three RC drillholes for a total of 318 metres were completed at Eastern Hills in October 2014[5] (Figure 6). A fourth drillhole had been planned (14PLN01) but was not drilled due access issues. These drillholes were designed to quickly and efficiently assess the potential for high grade mineralisation identified within the Dugite East Zone (Figure 7) to extend at depth.

Each of the completed drillholes intersected Sb-Pb mineralisation at the targeted mineralised zone, however the high grades returned from surface sampling were not found to continue at depth.
AREHRC016 intersected 4m @ 0.14% Sb & 0.24% Pb from 19-23m, with a best intersection of 1m @ 0.18% Sb & 0.30% Pb from 20-21m. Associated Ag-Au was of a low tenor with best results of 6.2 g/t Ag (19-20m) and 0.02 g/t Au (20-21m) respectively.

AREHRC017 intersected a broad zone of mineralisation from 63-74m. This zone included the following intersections:

- 2m @ 0.31% Sb & 0.43% Pb from 63-65m.
- 4m @ 0.30% Sb & 0.50% Pb from 67-71m.
- 1m @ 0.30% Sb & 0.45% Pb from 73-74m.

The best intersection from this zone was 1m @ 0.50% Sb and 0.80% Pb from 70-71m.
As with AREHRC016, Ag and Au results were of a low tenor throughout this zone, with best intersections of 5.7 g/t Ag (73-74m) and 0.05 g/t Au (69-70m) respectively.

AREHRC018 intersected 2m @ 0.40% Sb & 0.43% Pb from 38-40m, with a best intersection of 1m @ 0.60 % Sb & 0.70% Pb from 38-39m. This interval also returned a highly anomalous Ag result of 133 g/t, although only low tenor associated Au of 0.05 g/t was returned.

Artemis is reassessing the exploration strategy before committing to further expenditure on the project.

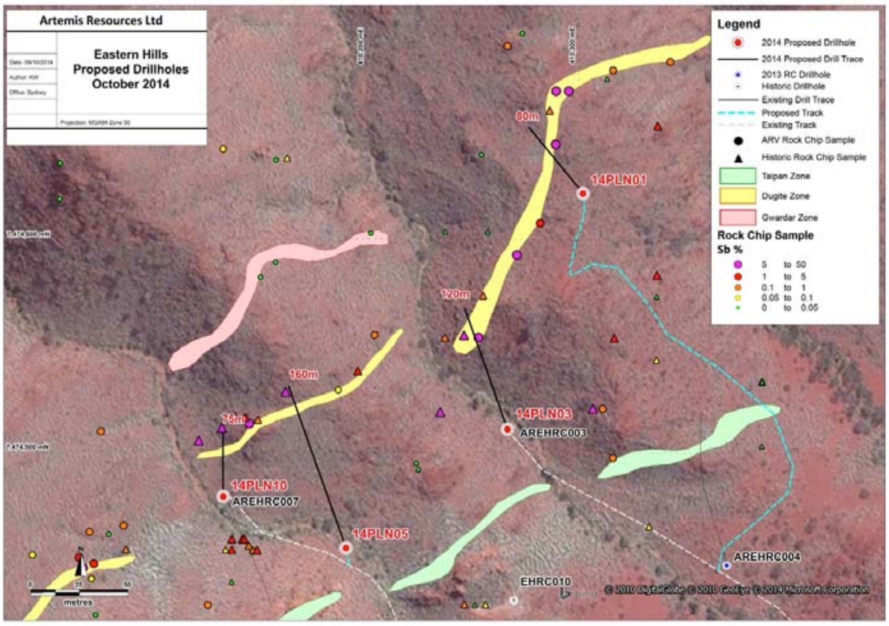


Figure 6: Eastern Hills 2014, 3 Hole Drilling Program

[5] As per ASX announcement dated 19 January 2015 "December 2014 Activities Report"

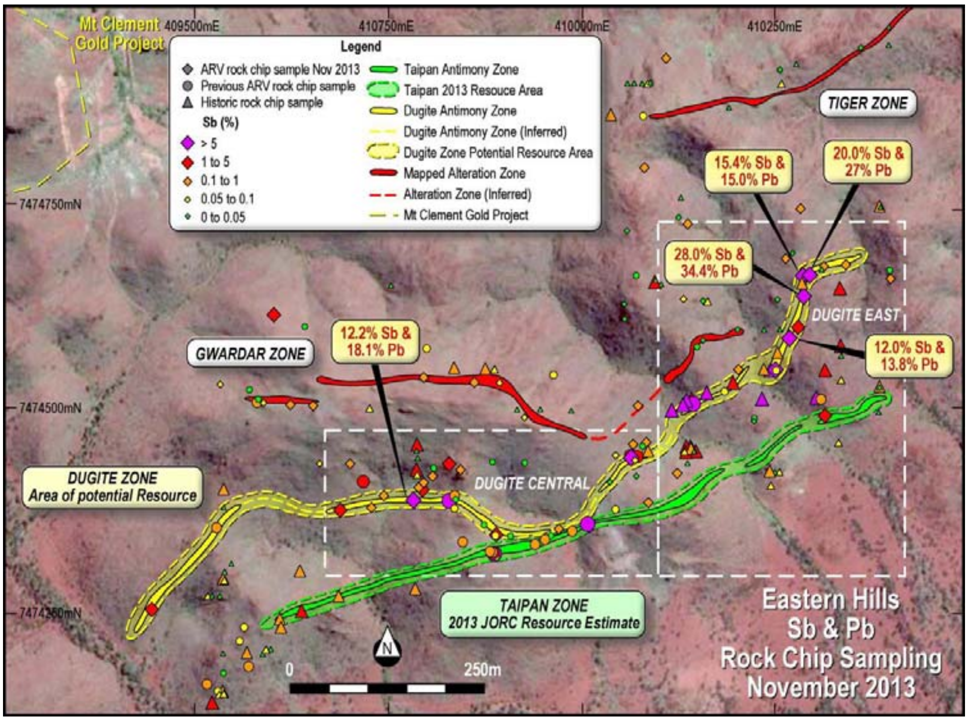


Figure 7: Eastern Hills - Rock chip sampling[2] (Sb-Pb) of zones adjacent to Taipan Zone resource

Mt Clement – Gold (Artemis 80%)

No significant exploration work was undertaken on the project this year and the Company has continued discussions with its joint venture partner, Northern Star Resources Limited (ASX Code: NST (20% JV Interest)), regarding its plans to move this project forward.

Yandal – Gold

The exploration team undertook a detailed review of project data during the year, with a view to either sell or joint venture out the project. A decision was made to surrender the project as significant expenditure was required to maintain the project in good standing.

Buchanan's Creek – Tantalum and Lithium (Artemis 25%; SMA 75%)

Artemis' joint venture partner Strategic Metals Australia Pty Ltd continued with the development of this project during the year and have now earned a 75% interest in the project after spending $565,000 in 2014 and a further $210,000 in the 2015 financial year.

Corporate

During the year Artemis engaged highly experienced geologist, Mr Edward Mead, to manage the Company's exploration and growth strategy in the West Pilbara. On 31st December 2014 Mr Mead became a Director of Artemis. Mr Mead is a geologist with more than 20 years' experience in gold and base metals exploration, mine development and mine production and has previously worked on most projects within the West Pilbara.

Mr Campbell Baird, a mining engineer, was appointed a non-executive Director on 17 August 2015 to further strengthen the Company's technical exploration team.

The Company raised $955,000 through a rights issue during the year and received a further $900,000 in funding support from its major shareholders.

The Company was successful in defending plaints on Carlow Castle and Weerianna during the reporting period. Unfortunately the Company has incurred significant legal expenses in defending these claims and will continue to vigorously defend any further spurious claims to its assets.

We would like to take this opportunity to thank all our shareholders for their ongoing support and we look forward to a year of successful exploration and discovery ahead.

Edward Mead
Director
23 September 2015

Annual Mineral Resources Statement

Gold: Mineral Resources as at 30 June 2015

Project	Area	Resource Category	Cutoff Grade (Au g/t)	Tonnes (t)	Au (g/t)	Ag (g/t)	Cu (%)	Contained Au (oz)	Contained Ag (oz)	Contained Cu (t)
Mt Clement[1]	Ashburton	Inferred	0.5	1,132,000	1.8	17	-	64,000	619,000	-
Weerianna[2]	West Pilbara	Inferred	1.0	1,005,000	2.2	-	-	70,000	-	-
Carlow Castle[3]	West Pilbara	Inferred	1.0	416,000	2.9	-	0.6	40,000	-	2,500
Total				**2,553,000**	**2.1**			**174,000**	**619,000**	**2,500**

Note: all projects reported as 100% of resources. Artemis has acquired a 80% interest in Weerianna

Note: no Reserves nor Measured or Indicated Resources have yet been identified in the gold projects

Antimony: Mineral Resources as at 30 June 2015

Project	Area	Resource Category	Cutoff Grade (Sb %)	Tonnes (t)	Sb (%)	Pb (%)	Ag (g/t)	Au (g/t)	Contained Sb (t)	Contained Pb (t)
Eastern Hills[4]	Ashburton	Indicated	1.0	810,000	2	3.1	26	0.41	15,900	25,200
		Inferred	1.0	500,000	1.3	1.5	16	0.2	6,500	7,500
Total				**1,310,000**	**1.7**	**2.5**	**24**	**0.34**	**22,400**	**32,700**

Note: all projects reported as 100% of resources

Note: no Reserves or Measured Resources have yet been identified in the antimony projects

Material Changes and Resource Statement Comparison

The Company has during this year begun to review and report its mineral resources at least annually and provide an Annual Mineral Resource Statement. The date of reporting is 30 June each year, to coincide with the Company's end of financial year balance date. If there are any material changes to its mineral resources over the course of the year, the Company is required to promptly report these changes. In completing the annual review for the year ended 30 June 2015, the historical resource factors for Mt Clement and Carlow Castle were reviewed and found to be relevant and current.

During the year, a further 29% share of the Weerianna Gold Project was acquired by the Company, bringing its interest to 80%. There are no material changes to the Company's Mineral Resource position during the course of the year.

Governance Arrangements and Internal Controls

Artemis has ensured that the mineral resources quoted are subject to good governance arrangements and internal controls. The mineral resources reported have been generated by independent external consultants who are experienced in best practices in modelling and estimation methods. The consultants have also undertaken reviews of the quality and suitability of the underlying information used to generate the resource estimation. In addition, Artemis' management carries out regular reviews of internal processes and external contractors that have been engaged by the Company.

All mineral resources reported here, except Mt Clement (see [1] below) were compiled in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code) 2012 Edition.

Competent Person Statements

[1] The information in this document that relates to Mt Clement Mineral Resources is based on information and supporting documentation prepared by Mr Steven Nicholls, who is a Member of the Australian Institute of Geoscientists. Mr Nicholls is a consultant to Artemis Resources Ltd, and is employed by Apex Geoscience Ltd. Mr Nicholls has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Mr Nicholls consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The information in this document that relates to Mt Clement Exploration Results and Mineral Resources was prepared and first disclosed under the JORC Code 2004. It 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 last reported.

[2] The information in this document that relates to Weerianna Mineral Resources is based on information and supporting documentation prepared by Mrs Fleur Muller, who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mrs Muller is a consultant to Artemis Resources Ltd, and is employed by Geostat Services Pty Ltd. Mrs Muller has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking 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'. Mrs Muller consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

[3] The information in this document that relates to Exploration Targets, Exploration Results or Mineral Resources at Carlow Castle is based on information and supporting documentation prepared by Mr Philip A Jones, who is a Corporate Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists and independent consultant to the Company. Mr Jones has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Mr Jones consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

[4] *The information in this document that relates to Eastern Hills Mineral Resources is based on information and supporting documentation prepared by Mr Simon Coxhell, who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Coxhell is a consultant to the Company, and is employed by CoxsRocks Pty Ltd. Mr Coxhell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Mr Coxhell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

The Mineral Resource Statement as a whole, above, has been reviewed and approved by Mr Edward Mead, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Mead is a Director and employee of the Company. Mr Mead has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Mr Mead consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Company's Exploration Target includes potential quantity and grade and is conceptual in nature. There has been insufficient exploration to define these mineral resources and it is uncertain if further exploration will result in the determination of mineral resources.

Tenement Schedule

West Pilbara Gold and Base Metals – Western Australia

E47/1745	100%
E47/1746	100%
E47/1747	100%
E47/1797	100%
P47/1360-P47/1361	100%
P47/1366-p47/1367	100%
P47/1371	100%
P47/1374-p47/1375	100%
P47/1380	100%
P47/1386	100%
P47/1112	Application
P47/1124	Application
P47/1126	Application
P47/1127	Application
P47/1131	Application
P47/1134	Application
E47/1807[2]	30.15%
M47/177[4]	80%
M47/288[4]	80%
P47/1518	100%
P47/1519	100%
P47/1520	100%
P47/1619	100%
P47/1620	100%
P47/1621	100%
P47/1622	100%
E47/2652	100%
E47/2696	100%
E47/2716	Application
E47/2724	Application
E47/2908	100%
M47/223[4]	80%
E47/3210	100%
E47/3204	Application
E47/3200	Application
E47/3160	Application
E47/3322	Application

Mount Clement Gold/Silver Project[1] – Western Australia

E08/1841	100%
M08/191	80%
M08/192	80%
M08/193	80%
E08/2656	Application

Buchanan's Creek Rare Metals[3] - Queensland

ML3311	25%
ML30123	25%
ML30208	25%
EPM13694	25%
EPM14988	25%
EPM18490	25%

Yandal

E53/1729	Application
E53/1742	Application
E53/1759	Application
P53/1606	100%
P53/1607	100%
P53/1608	100%
P53/1616	100%
P53/1618	100%

Other

E45/4463	100%
E04/2382	100%
E04/2383	100%
E04/4932	100%

[1] 80% Artemis - Gold joint venture with Northern Star Resources (20%)
[2] 30.15% Interest – Non managed joint venture with Fox Resources Limited
[3] Strategic Metals Australia Pty Limited (SMA) 75%, with an option over the remaining 25%
[4] Minority interest held by third party in Western Metals Pty Ltd

Artemis Resources Limited ("**Artemis**"), through its board and executives, recognises the need to establish and maintain corporate governance policies and practices that reflect the requirements of the market regulators and participants, and the expectations of members and others who deal with Artemis. These policies and practices remain under constant review as the corporate governance environment and good practices evolve.

ASX Corporate Governance Principles and Recommendations

The third edition of ASX Corporate Governance Council Principles and Recommendations (the "Principles") sets out recommended corporate governance practices for entities listed on the ASX.

The Company has issued a Corporate Governance Statement which discloses the Company's corporate governance practices and the extent to which the Company has followed the recommendations set out in the Principles. The Corporate Governance Statement was approved by the Board on 9 September 2015 and is available on the Company's website: http://artemisresources.com.au/investor-centre/corporate-governance/

DIRECTORS REPORT

Your directors present their report on the Artemis Resources Limited (**Artemis** or the **Company**) for the financial year ended 30 June 2015.

DIRECTORS
The names of directors in office at any time during or since the end of the period are:

Current Directors

MR GEORGE FRANGESKIDES
Chairman

Mr Frangeskides has a broad range of experience gained from over fifteen years in the legal and corporate advisory sectors in Australia and the United Kingdom.

Mr Frangeskides is an Executive Director at Berwick Capital, a corporate advisory firm which specialises in natural resources and which advises ASX and AIM-listed companies on projects and transactions in the mining and oil and gas sectors. Prior to establishing Berwick Capital, Mr Frangeskides practised as a lawyer focusing on corporate finance, commercial and capital market transactions.

Mr Frangeskides was appointed a Director on 17 January 2011, resigned on 28 September 2011 and was re-appointed on 15 August 2012.

MS EDWARD MEAD
Executive Director

Mr Mead is a geologist with 20 years' experience in gold and base metals exploration, mine development and mine production. Ed has also worked in the oil and gas industry on offshore drilling platforms. Other commodities that he has significant experience with are iron ore, magnetite, coal, manganese, lithium, potash and uranium.

He has a BSc in geology from Canterbury University in New Zealand and is a member of the Australian Institute of Mining and Metallurgy. He has worked for the Geological Survey of Western Australia, Portman Mining, Western Mining Corporation (BHPB), Sons of Gwalia, Fox Resources, Comdek Ltd and Baker Hughes Inteq and a number of other companies through his own consultancy.

Mr Mead was appointed a Director on 31 December 2014. Mr Mead is currently a Director of Ram Resources Limited.

MR CAMPBELL BAIRD
Non-Executive Director

Mr Baird, has over 20 years of mining experience. Mr Baird was formerly the CEO of Focus Minerals Pty Ltd, a Western Australian gold producer and prior to this had extensive international experience developing projects in Finland for Vulcan Resources and leading multiple feasibility studies across multiple commodities for SRK Consulting.

Mr Baird has a bachelor of Engineering (Mining) from UNSW and a Masters of International Finance from Curtain University, he is a Member of the AusIMM & AICD and he sits on the Association of Mining and Exploration Council in Australia as Treasurer.

Mr Baird was appointed a Director on 17 August 2015.

With the exception of Mr Baird, Directors have been in office since the start of the financial period to the date of this report.

Former Director

Ms Shannon Coates – appointed 28 September 2011, resigned 31 December 2014
Mr Guy Robertson – appointed 28 September 2011, resigned 17 August 2015

Secretary

MR GUY ROBERTSON
(Company Secretary)
B Com (Hons.) CA

Guy Robertson was appointed Company Secretary on 12 November 2009.

Mr Robertson has over 25 years' experience as a Director, CFO and Company Secretary of both public (ASX- listed) and private companies in both Australia and Hong Kong. He has had significant experience in due diligence, acquisitions, IPOs and corporate management. Mr Robertson has a Bachelor of Commerce (Hons) and is a Chartered Accountant.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The following summary of events marks significant milestones in the state of affairs of the Company during the year:

PRINCIPAL ACTIVITIES

The principal activity of the Company during the financial year was mineral exploration and direct and indirect investments in the mining industry. There have been no significant changes in the nature of the Company's principal activities during the financial year.

SIGNIFICANT AFTER BALANCE DATE EVENTS

On the 5 August 2015 the Company announced an earn in to the Munni Munni platinum group elements (PGFE) deposit. The initial consideration of 100,000,000 Artemis shares was issued on 24 August 2015. The Company will earn a 70% interest by spending $750,000 over the next three years.

There are currently no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

LIKELY FUTURE DEVELOPMENTS AND EXPECTED RESULTS

The primary objective of Artemis is to explore its current tenements in Australia and the Company continues to look to invest in mineral resources projects which have the potential to become mines.

PERFORMANCE IN RELATION TO ENVIRONMENTAL REGULATION

The consolidated entity will comply with its obligations in relation to environmental regulation on its projects when it undertakes exploration. The Directors are not aware of any breaches of any environmental regulations during the period covered by this report.

OPERATING RESULTS AND FINANCIAL REVIEW

The loss of the consolidated entity after providing for income tax amounted to $3,948,275 (*2014:* loss of $1,974,477).

The Group's operating income increased to $107,539 (2014 - $17,987) attributable to the profit on sale of investments during the year.

Expenses increased to $4,055,814 (2014-$1,992,464) primarily attributable to a write off of exploration expenditure in the amount of $2,168,830 relating to the Yandal project.

Exploration costs decreased to $6,736,804 (2014 $8,368,835) reflecting primarily the write off of the Yandal project, and a delay in the West Pilbara exploration as a result of the delay in getting Ngarluma Aboriginal Council approval to commence exploration before year end.

Net assets declined to $5,297,150 (2014-$8,182,490) reflecting the capital raising during the year of $1,163,258 (net of costs) offset by the result for the year which included the write down of the Yandal project.

DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no dividend has been paid or declared to the date of this report.

MEETINGS OF DIRECTORS

The number of directors' meetings (including committees) held during the financial period, eligibility of each director to attend and the number of meetings attended by each director is:

	Directors Meetings		Audit Committee Meetings	
Director	**Meetings Attended**	**Number Eligible to Attend**	**Meetings Attended**	**Number Eligible to Attend**
Edward Mead	4	4	1	1
Campbell Baird	-	-	-	-
George Frangeskides	6	6	2	2
Shannon Coates	2	2	1	1
Guy Robertson	6	6	-	-

In addition to the directors meetings outlined above there were 3 circular resolutions.

REMUNERATION REPORT (AUDITED)

Remuneration Policy

The board's policy for determining the nature and amount of remuneration for board members and officers is as follows:

- The remuneration policy, setting the terms and conditions (where appropriate) for the executive directors and other senior staff members, was developed by the Chairman and Company Secretary and approved by the board;
- In determining competitive remuneration rates, the board may seek independent advice on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices;
- The Company is a mineral exploration company, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, directors and senior executives, such personnel are paid market rates associated with individuals in similar positions within the same industry. Options and performance incentives may be issued particularly as the Company moves from commercialisation to a producing entity and key performance indicators such as profit and production can be used as measurements for assessing executive performance;

  Given the early stage of the company's projects it is not meaningful to track executive compensation to financial results and shareholder wealth. It is also not possible to set meaningful specific objective performance criteria for directors as this stage;
- All remuneration paid to directors and officers is valued at the cost to the Company and expensed. Where appropriate, shares given to directors, executives and officers are valued as the difference between the

market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes methodology; and

- The board policy is to remunerate non-executive directors and officers at market rates for comparable companies for time, commitment and responsibilities. The Chairman in consultation with independent advisors determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders in a General Meeting, and is currently $150,000 per annum, as approved by shareholders. Fees for non-executive directors and officers are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors and officers are encouraged to hold shares in the company.

Directors' and Executive Officers' Remuneration

(a) Details of Directors and Key Management Personnel

(i) <u>Current Directors</u>

George Frangeskides - Chairman (appointed 17 January 2011, resigned 28 September 2011, reappointed 15 August 2012)
Campbell Baird – Non-Executive Director (appointed 17 August 2015)
Edward Mead – Executive Director (appointed 31 December 2014)

(ii) <u>Former Directors</u>

Shannon Coates – Non-Executive Director (appointed 28 September 2011, resigned 31 December 2014)
Guy Robertson – Executive Director (appointed 28 September 2011, resigned 17 August 2015)

(iii) <u>Company Secretary</u>

Guy Robertson

(iv) <u>Key Management Personnel</u>

Edward Mead – General Manager Exploration, with effect from 1 July 2014.

Directors' remuneration and other terms of employment are reviewed annually by the board having regard to performance against goals set at the start of the year, relative comparative information and independent expert advice.

Except as detailed in Notes (a) – (d) to the Remuneration Report, no director has received or become entitled to receive, during or since the financial period, a benefit because of a contract made by the Company or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in Notes (a) – (d) to the Remuneration Report, prepared in accordance with the Corporations regulations, or the fixed salary of a full time employee of the Company.

(b) Remuneration of Directors and Key Management Personnel

The non-executive directors are responsible for determining and reviewing compensation arrangements. The board will assess the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team.

Remuneration of the Key Management Personnel of the Company and consolidated entity is set out below.

	2015				2014			
	Base Salary and Fees	Share Based Payments	Post Employment Super Contributions	Total	Base Salary and Fees	Share based Payments	Post Employment Super Contributions	Total
G. Frangeskides	**46,379**	-	-	**46,379**	43,902	-	-	43,902
G. Robertson[1]	**102,000**	-	-	**102,000**	120,000	-	-	120,000
S. Coates	**15,000**	-	-	**15,000**	36,000	-	-	36,000
T. Woolfe[2]	**4,739**	16,500	-	**21,239**	57,200	76,000	-	133,200
E.Mead	**15,000**	-	-	**15,000**	-	-	-	-
	183,118	**16,500**	**-**	**199,618**	**257,102**	**76,000**	**-**	**333,102**

[1] Of this amount Mr Robertson was paid $52,000 as Directors fees and $50,000 as Company Secretary fees of which $35,000 was paid through an unrelated service company Alexander Cable Pty Limited.
[2] Mr Woolfe was paid this amount through his service companies Shordean Pty Ltd and Pedroso Pty Ltd

(c) Remuneration Options granted and vested during the financial year ending 30 June 2015 and the financial year ending 30 June 2014

To ensure that the Company has appropriate mechanisms to continue to attract and retain the services of directors and employees of a high calibre, the Company has a policy of issuing options that are exercisable in future at a certain fixed price.

No options were issued to directors during the year or the prior year.

(d) Share and Option holdings

All equity dealings with directors have been entered into with terms and conditions no more favourable than those that the entity would have adopted if dealing at arm's length.

Shares held by Directors and key management Personnel

Period from 1 July 2014 to 30 June 2015

	Balance at beginning of year	Received as Remuneration	Options Exercised	Net Change Other	Balance at end of year
E. Mead	-	-	-	-	-
C. Baird	-	-	-	-	-
G. Frangeskides	1,000,000	-	-	-	1,000,000
G. Robertson	3,379,316	-	-	2,887,422	6,266,738
S. Coates	-	-	-	-	-
T.Woolfe[1]	23,250,000	5,766,667	-	(29,016,667)	-
	27,629,316	5,766,667	-	(26,129,245)	7,266,738

[1]Balance prior to ceasing to act as a consultant to the Company.

Period from 1 July 2013 to 30 June 2014

	Balance at beginning of year	Received as Remuneration	Options Exercised	Net Change Other	Balance at end of year
G. Robertson	3,379,316	-	-	-	3,379,316
S. Coates	-	-	-	-	-
G. Frangeskides	1,000,000	-	-	-	1,000,000
T.Woolfe	-	23,250,000	-	-	23,250,000
	4,379,316	23,250,000	-	-	27,629,316

Options and Performance Rights Held by Directors and key management Personnel

Period from 1 July 2013 to 30 June 2015

There were no options held by Directors and key management personnel in the year ended 30 June 2014 and 30 June 2015.

The performance rights on issue have not vested as the hurdles have not been met and have now expired.

OPTIONS

There has been no issue of ordinary shares as a result of the exercise of options by directors and senior management during or since the end of the financial year. Directors' holdings of shares and share options have been disclosed in the Remuneration Report.

INDEMNIFYING OFFICERS

In accordance with the constitution, except as may be prohibited by the *Corporations Act 2001*, every officer or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him or her in his or her capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

During the financial year the Company paid insurance premiums of $5,095 in September 2015 in respect of directors' and officers' liability for the year to 30 June 2015. The insurance premiums relate to:

- Costs and expenses incurred by the relevant officers in defending legal proceedings, whether civil or criminal and whatever their outcome; and
- Other liabilities that may arise from their position, with the exception of conduct involving wilful breach of duty or improper use of information to gain a personal advantage.

PROCEEDINGS ON BEHALF OF COMPANY

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

The Company was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 25 of the financial report.

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 the services disclosed below 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 does not compromise the general principles relating to auditor independence in accordance with ARES 110: *Code of Ethic for Professional Accountants* set by the Accounting Professional and Ethical Standards Board.

The following fees were paid to Hall Chadwick for non-audit services provided during the year ended 30 June 2015:

Taxation services	$3,000

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

Edward Mead
Director
23 September 2015

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

Ph: (612) 9263 2600
Fx : (612) 9263 2800

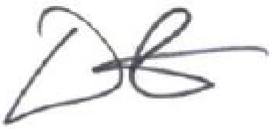
ARTEMIS RESOURCES LIMITED
ABN 80 107 051 749
AND ITS CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ARTEMIS RESOURCES LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there have been:

i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 23 September 2015

Continuing Operations	Note	**Consolidated 30 June 2015 $**	Consolidated 30 June 2014 $
Revenue	2(b)	**100,297**	4,270
Other Income	2(b)	**7,242**	13,717
Administration expenses		**(99,874)**	(224,768)
Personnel costs		**-**	-
Professional fees and consultancy costs		**(128,869)**	(73,841)
Occupancy costs		**(50,354)**	(8,180)
Compliance and regulatory expenses		**(86,538)**	(102,677)
Depreciation		**-**	(6,765)
Payments to directors		**(128,379)**	(139,902)
Exploration expenditure written off		**(2,228,830)**	(795,647)
Consulting and technical		**(87,500)**	(180,000)
Travel		**(25,681)**	(24,092)
Share based payments		**(46,500)**	(203,000)
Loss on sale of investments		**-**	(28,418)
Legal Fees		**(1,120,936)**	(205174)
Borrowing costs		**(52,353)**	-
LOSS BEFORE INCOME TAX FOR THE YEAR		**(3,948,275)**	(1,974,477)
Income tax expense	3	**-**	-
LOSS AFTER INCOME TAX FOR THE YEAR		**(3,948,275)**	(1,974,477)
LOSS FOR THE YEAR ATTRIBUTABLE TO:			
Members of the parent entity		**(3,948,275)**	(1,974,477)
Non-controlling interest		**-**	-
TOTAL LOSS FOR THE YEAR		**(3,948,275)**	(1,974,477)
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that will not be reclassified to profit or loss:			
Net change in fair value of available for sale investments		**(68,128)**	9,727
Items that may be reclassified subsequently to profit or loss:			
Income tax relating to components of other comprehensive income		**(32,195)**	4,642
		(100,323)	14,369
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(4,048,598)**	(1,960,108)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO			
Owners of the parent		**(4,048,598)**	(1,960,108)
Non-controlling interest		**-**	-
		(4,048,598)	(1,960,108)
Earnings per share – continuing operations			
Basic loss per share (cents)	19	**(0.34)**	(0.29)
Diluted loss per share (cents)	19	**(0.34)**	(0.29)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes

	Note	**Consolidated 30 June 2015 $**	Consolidated 30 June 2014 $
CURRENT ASSETS			
Cash and cash equivalents	4	**340,922**	751,496
Trade and other receivables	5	**67,589**	54,171
Other financial assets	6	**15,989**	258,628
Total current assets		**424,500**	1,064,295
NON-CURRENT ASSETS			
Plant and equipment	8	**-**	-
Evaluation and exploration expenditure	9	**6,736,804**	8,368,835
Total non-current assets		**6,736,804**	8,368,835
TOTAL ASSETS		**7,161,304**	9,433,130
CURRENT LIABILITIES			
Trade and other payables	10	**924,965**	676,190
Borrowings	11	**939,189**	542,255
Total current liabilities		**1,864,154**	1,218,445
NON CURRENT LIABILITIES			
Deferred tax liability	3	**-**	32,195
Total non-current liabilities		**-**	32,195
TOTAL LIABILITIES		**1,864,154**	1,250,640
NET ASSETS		**5,297,150**	8,182,490
EQUITY			
Share Capital	12	**29,956,601**	28,918,343
Reserves	13	**125,000**	572,536
Accumulated losses		**(24,784,451)**	(21,308,389)
Parent interests		**5,297,150**	5,297,150
Non-controlling interest		**-**	-
TOTAL EQUITY		**5,297,150**	8,182,490

The consolidated statement of financial position is to be read in conjunction with the attached notes.

	Attributable to equity holders of parent			
CONSOLIDATED - 2015	**Share Capital** $	**Reserves** $	**Accumulated Losses** $	**Total Equity** $
Balance 1 July 2014	**28,918,343**	**572,536**	**(21,308,389)**	**8,182,490**
Loss for the year	**-**	**-**	**(3,948,275)**	**(3,948,275)**
Net change in the fair value of available-for-sale financial assets	**-**	**(100,323)**	**-**	**(100,323)**
Total comprehensive income for the year	**-**	**(100,323)**	**(3,948,275)**	**(4,048,598)**
Issue of shares	**1,076,793**	**-**	**-**	**1,076,793**
Share issue costs	**(38,535)**	**-**	**-**	**(38,535)**
Issue of options	**-**	**125,000**	**-**	**125,000**
Expiry of options	**-**	**(472,213)**	**472,213**	**-**
Balance as at 30 June 2015	**29,956,601**	**125,000**	**(24,784,451)**	**5,297,150**

	Attributable to equity holders of parent			
CONSOLIDATED - 2014	**Share Capital** $	**Reserves** $	**Accumulated Losses** $	**Total Equity** $
Balance 1 July 2013	27,027,128	652,676	(19,428,421)	8,251,383
Loss for the year	-	-	(1,974,477)	(1,974,477)
Net change in the fair value of available-for-sale financial assets	-	14,369	-	14,369
Total comprehensive income for the year	-	14,369	(1,974,477)	(1,960,108)
Issue of shares	2,011,196	-	-	2,011,196
Share issue costs	(119,981)	-	-	(119,981)
Expiry of options	-	(94,509)	94,509	-
Balance as at 30 June 2014	28,918,343	572,536	(21,308,389)	8,182,490

The consolidated statement of changes in equity is to be read in conjunction with the attached notes.

	Note	Consolidated 30 June 2015 $	Consolidated 30 June 2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operations		**-**	4,270
Payments to suppliers and employees		**(1,371,003)**	(989,188)
Interest received		**7,242**	18,953
Government co-funding receipt		**-**	103,125
Interest received		**(52,353)**	-
NET CASH USED IN OPERATING ACTIVITIES	**22**	**(1,416,114)**	(862,840)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investment		**240,297**	150,000
Purchase of prospects		**-**	(250,000)
Payments for exploration and evaluation		**(835,160)**	(1,008,393)
Research and development tax receipt		**247,926**	-
NET CASH USED IN INVESTING ACTIVITIES		**(346,937)**	(1,108,393)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		**955,543**	1,546,409
Cost of raising capital		**-**	(119,981)
Loan proceeds		**939,189**	-
Repayment of loan		**(542,255)**	542,255
NET CASH PROVIDED BY FINANCING ACTIVITIES		**1,352,477**	1,968,683
Decrease in cash held		**(410,574)**	(2,550)
Cash at the beginning of the year		**751,496**	754,046
CASH AT THE END OF THE YEAR	**4**	**340,922**	751,496

The consolidated statement of cash flows is to be read in conjunction with the attached note.

Notes to the Financial Statements for the year ended 30 June 2015

These consolidated financial statements and notes represent those of Artemis Resources Limited and Controlled Entities (the "consolidated group" or "group").

The separate financial statements of the parent entity, Artemis Resources Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

The financial statements were authorised for issue on 23 September 2015 by the directors of the company.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, International Financial Reporting Standards as issued by the International Accounting Standards Board and the *Corporations Act 2001*. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

a. Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Artemis Resources Limited at the end of the reporting period. A controlled entity is any entity over which Artemis Resources Limited has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 7 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and consolidated statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the consolidated statement of comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

b. Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business

As disclosed in the financial statements, the consolidated entity incurred losses of $3,948,275, had net cash outflows from operating activities of $1,416,114 and investing activities of $346,937 for the year ended 30 June 2015, and had a working capital deficit as at 30 June 2015 of $1,439,654. The Company will need to raise additional funds in the year ahead in order to meet all of its expenditure commitments.

These factors indicate significant uncertainty as to whether the Company and consolidated entity will continue as a going concern and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that it is reasonably foreseeable that the company and consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The consolidated entity has cash at bank at balance date of $340,922 and net assets of $5,297,150 as at 30 June 2015;
- The Company has an undrawn facility of $2 million from Wimmer Financial LLP.
- The ability of the consolidated entity to further scale back certain parts of their activities that are non-essential so as to conserve cash; and
- The consolidated entity retains the ability, if required, to wholly or in part dispose of interests in mineral exploration and development assets.

Accordingly, the Directors believe that the company and consolidated entity will be able to continue as going concerns and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the company and consolidated entity do not continue as going concerns.

c. New accounting standards for application in future periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

- AASB 9: Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

The directors anticipate that the adoption of AASB 9 will not have a significant impact on the Group's financial statements.

- AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2017).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue. Although the directors anticipate that the adoption of AASB 15 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

The directors anticipate that the adoption of AASB 15 will not have a significant impact on the Group's financial statements.

d. Income taxes

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity. Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

e. Exploration and evaluation costs

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

f. Leases

A distinction is made between finance leases which transfer from the lessor to the lessee substantially all the risks and rewards incident to ownership of the leased asset and operating leases under which the lessor retains substantially all the risks and rewards.

Where an asset is acquired by means of a finance lease, the fair value of the leased property or the present value of minimum lease payments, if lower, is established as an asset at the beginning of the lease term. A corresponding liability is also established and each lease payment is apportioned between the finance charge and the reduction of the outstanding liability.

Operating lease rental expense is recognised as an expense on a straight line basis over the lease term, or on a systematic basis more representative of the time pattern of the user's benefit.

g. Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

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.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are included in non-current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in non-current assets where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, 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 profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

h. Impairment of assets

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 consolidated statement of comprehensive income. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

i. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

j. Revenue recognition

Interest revenue is recognised using the effective interest method. It includes the amortisation of any discount or premium.

k. Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred except borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale. In this case the borrowing costs are capitalised as part of the cost of such a qualifying asset.

The amount of borrowing costs relating to funds borrowed generally and used for the acquisition of qualifying assets has been determined by applying a capitalisation rate to the expenditures on those assets. The capitalisation rate comprises the weighted average of borrowing costs incurred during the period.

l. Equity settled compensation

Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

m. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST. Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

n. Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

o. Significant judgements and key assumptions

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

p. Key judgements

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at reporting date at $6,736,804.

2. REVENUE AND OTHER INCOME

	Consolidated 2015 $	Consolidated 2014 $
a) Revenue		
Profit on sale of available for sale financial assets	**100,297**	-
Other revenue	**-**	4,270
	100,297	4,270
b) Other Income		
Interest received	**7,242**	13,717

3. INCOME TAXES

(a) Reconciliation between income tax expense and prima facie tax on accounting loss:

	Consolidated 2015 $	Consolidated 2014 $
Loss before tax	**(3,948,275)**	(1,974,477)
Tax at 30% (2014: 30%)	**(1,184,483)**	(592,343)
Tax effect of non-deductible expenses	**37,023**	288,528
Exploration expenditure	**-**	(372,966)
Tax losses and timing differences not brought to account	**1,147,460**	676,781
Income tax expense	**-**	-
(b) Balance of franking account at year end	**-**	-
(c) Deferred tax liabilities taken to equity		
Balance brought forward	**32,195**	36,837
Unrealised (loss)/gain on investments	**(32,195)**	(4,642)
	-	32,195

Applicable tax rate

The applicable tax rate is 30%, the national corporate tax rate in Australia.

Analysis of deferred tax assets

No deferred tax assets have been recognised as yet, other than to offset deferred tax liabilities, as it is currently not probable that future taxable profit will be available to realise the asset. Potential deferred tax assets on carry forward losses amount to $4,865,423 (2014-$5,422,914).

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and account balances with banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents included in the consolidated statement of cash flows comprise the following amounts:

	Consolidated 2015 $	Consolidated 2014 $
Cash and cash equivalents	**340,922**	751,496

5. TRADE AND OTHER RECEIVABLES

	Consolidated 2015 $	Consolidated 2014 $
Current		
Trade receivables	**4,156**	9,563
Other	**63,433**	44,608
	67,589	54,171

The value of trade and other receivables considered by the Directors to be past due or impaired is nil (2014: Nil).

6. OTHER FINANCIAL ASSETS

	Consolidated 2015 $	Consolidated 2014 $
Non Current		
Available-for-sale financial assets		
Listed equity securities – at fair value	**15,989**	258,628

7. SUBSIDIARIES

	Country of Incorporation	**Ownership % 2015**	Ownership % 2014
Parent Entity:			
Artemis Resources Limited	Australia	-	-
Subsidiaries:			
Yandal Metals Pty Limited	Australia	**100**	100
Wombat Resources Pty Limited	Australia	**100**	100
Artemis Mining Corporation Pty Limited[4]	Australia	**25**	100
Karratha Metals Limited	Australia	**100**	100
KML No 2 Pty Limited	Australia	**100**	100
Armada Mining Pty Limited	Australia	**100**	100
Denarii Exploration Pty Limited[3]	Australia	-	80
Western Metals Pty Limited[2]	Australia	**80**	51
Artemis Graphite Pty Ltd[1]	Australia	**100**	100
Arminco (Pte) Ltd	Singapore	-	100
Anco Holdings Limited	Hong Kong	**49**	49
Uranium Exploration SA	Niger, Africa	-	49

Arminco (Pte) Limited, Anco Holdings Limited and Uranium Exploration SA were associated with the Niger uranium project disposed of in the prior year.

[1]Formerly Artemis Mundong Well Pty Ltd

[2]Artemis acquired a further 29% interest in this company during the year, see note 24.

[3]The interest in Denarii was disposed of during the year for no consideration.

[4]In accordance with the agreement, 75% of the shares in Artemis Mining Corporation Pty Limited was transferred to Strategic Metals Australia Pty Ltd (SMA) following their reaching exploration spend commitments. In accordance with the agreement SMA are required to issue Artemis 500,000 fully paid SMA ordinary shares which have not yet been issued, and no value has been attributed to these shares.

Consolidated

The parent entity within the group is Artemis Resources Limited which is the ultimate parent entity in Australia.

8. PLANT AND EQUIPMENT

	Consolidated 2015 $	Consolidated 2014 $
Plant and equipment		
At cost		
Opening balance	**52,937**	52,937
Disposals	**(52,937)**	-
Closing balance	**-**	52,937
Depreciation		
Opening balance	**(52,937)**	(46,172)
Charge for the year	**-**	(6,765)
Disposals	**52,937**	-
Closing balance	**-**	(52,937)
	-	-

9. INTANGIBLE EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated 2015 $	Consolidated 2014 $
Exploration and evaluation expenditure	**6,736,804**	8,368,835
Reconciliation of carrying amount		
Carrying amount at 1 July	**8,368,835**	8,060,220
Acquisition of tenements and tenement interests[1]	**246,696**	318,750
Expenditure capitalised in current period	**598,029**	963,931
Capitalised expenditure written off[2]	**(2,228,830)**	(795,647)
Carrying value of project sold	**-**	(178,419)
Research and development rebate received	**(247,926)**	-
Carrying amount 30 June	**6,736,804**	8,368,835

[1] Relates to the acquisition of a further 29% in the Weerianna Project and costs associated with the acquisition of the Amitsoq graphite project.
[2] The Company wrote off its interest in the Yandal project in 2015 and the Artemis Mundong Well Uranium project during 2014.

Costs capitalised on areas of interest have also been reviewed for impairment factors, such as resources prices, ability to meet expenditure going forward, potential resource downgrades. It is the Directors' opinion that the Company has ownership, or title to the areas of interests it has capitalised expenditure on and has reasonable expectations that its activities are ongoing.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploration, or, alternatively, sale of the respective area of interest.

The Company has a number of tenements in its West Pilbara project under plaint which it is dealing with in the ordinary course of business. A hearing on tenements E47/1745, E47/1746 has been held and a decision is expected on 31 October 2015. A hearing on tenement M47/288 is yet to come before the Warden's court. Artemis has been successful in the defence of tenements E47/1797 and M47/223 during the period to the date of this report.

10. TRADE AND OTHER PAYABLES

	Consolidated 2015 $	Consolidated 2014 $
Trade and other accounts payable (unsecured)	**924,966**	676,190

11. BORROWINGS

	Consolidated 2015 $	Consolidated 2014 $
Loans	**939,189**	542,255

The loans are unsecured and carries an interest rate of 10%. The balance for 2015 includes interest of $31,500. The loans is payable to major shareholders Armengael Limited $459,000 and Exchange Minerals Limited $480,189.

12. SHARE CAPITAL

	2015 Shares	2014 Shares	**2015 $**	2014 $
1,238,316,411 (2014: 851,597,822) fully paid ordinary shares	**1,238,316,411**	851,597,822	**29,956,601**	28,918,343

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Reconciliation of movements in share capital during the year:

	2015 No. Shares	2014 No. Shares	**2015 $**	2014 $
Issued ordinary shares	**1,238,316,411**	851,597,822	**29,956,601**	28,918,343
Reconciliation of movement during year				
Opening balance	**851,597,822**	484,890,396	**28,918,343**	27,027,128
Issue of shares – 1 July 2013	-	5,400,000	-	54,000
Issue of shares rights issue and placement – 30 September 2013	-	253,694,009	-	1,546,409
Issue of shares – 23 December 2013	-	11,384,250	-	45,537
Issue of shares – 26 June 2014 – Western Metals Pty Limited acquisition	-	76,562,500	-	306,250
Issue of shares – 26 June 2014	-	19,666,667	-	59,000
Issue of shares rights Issue – 31 July 2014	**210,847,756**	-	**632,543**	-
Issue of shares – 20 October 2014	**4,166,667**	-	**12,500**	-
Issue of share placement – 31 October 2014	**107,666,666**	-	**323,000**	-
Issue of shares 17 December 2014 – Weerianna acquisition	**48,437,500**	-	**68,750**	-
Issue of shares – 19 December 2014	**2,000,000**	-	**6,000**	-
Issue of shares – 10 February 2015	**12,160,000**	-	**30,400**	-
Issue of shares – 18 May 2015	**1,440,000**	-	**3,600**	-
Cost of raising capital		-	**(38,535)**	(119,981)
Closing balance	**1,238,316,411**	851,597,822	**29,956,601**	28,918,343

(i) For further details of share based payments refer to Note 21.

Capital 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.

Management is constantly adjusting the capital structure to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, management may issue new shares or sell assets to reduce debt.

During the year the Company has arranged a $2 million convertible note facility with Wimmer Financial LLP. The facility has an interest rate of 10%. Interest is payable quarterly in arrears in cash or shares (at a 10% discount to the 30 day Volume Weighted Average Price (VWAP)) at the noteholders election. The conversion price is a 20% discount to the VWAP over the 30 days prior to the conversion. The facility is to date undrawn and expires on 30 June 2016.

There have been no changes in the strategy adopted by management to control the capital of the group since the prior year. This strategy is to maintain share capital as dictated by operational requirements and market conditions.

13. RESERVES

	Consolidated 2015 $	Consolidated 2014 $
Option Issue Reserve (a)	**125,000**	472,213
Unrealised Gains Reserve (b)	**-**	100,323
	125,000	572,536

Reconciliation of movements during the year:

	2015 Options	2014 Options	**2015 $**	2014 $
(a) Option Reserve				
Total Options	**331,975,600**	146,846,952	125,000	472,213
Opening balance	**146,846,952**	23,933,333	**472,213**	566,722
Issue of options – 30 September 2013	**-**	253,693,904	-	-
Expiry of options - 30 September 2013	**-**	(3,933,333)	-	(94,509)
Expiry of options – 31 March 2014	**-**	(126,846,952)	-	-
Issue of options rights issue – 29 July 2014	**52,438,521**	-	-	-
Issue of options rights issue – 12 August 2014	**273,461**	-	-	-
Issue of options rights issue – 20 October 2014	**16,666,666**	-	-	-
Issue of options rights issue – 22 October 2014	**10,250,000**	-	-	-
Issue of options rights issue – 19 December 2014	**500,000**	-	-	-
Issue of options acquisition – 17 December 2014	**125,000,000**	-	125,000	-
Expiry of options - 30 November 2014	**(10,000,000)**	-	(63,073)	-
Expiry of options – 14 December 2014	**(10,000,000)**	-	(409,140)	-
Closing balance	**331,975,600**	146,846,952	125,000	472,213

(i) For further details of share based payments refer to Note 21.

	Consolidated 2015 $	Consolidated 2014 $
(b) Unrealised Gains Reserve		
Opening balance	**100,323**	85,954
Increase/(Decrease) in value of financial assets	**(100,323)**	14,369
Closing balance	**-**	100,323

14. FINANCIAL INSTRUMENTS

The Board of Directors takes responsibility for managing financial risk exposures of the Group. The Board monitors the Group's financial risk management policies and exposures and approves financial transactions. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, currency risk, liquidity risk and interest rate risk. The Board meets monthly at which these matters are reviewed.

The Board's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its review includes the use of hedging derivative instruments, credit risk policies and future cash flow requirements.

The Company's principal financial instruments comprise cash, short term deposits and securities in Australian listed companies. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the company. The Company also has other financial instruments such as trade debtors and creditors which arise directly from its operations. For the period under review, it has been the Company's policy not to trade in financial instruments. The Company holds financial instruments in the form of shares in Australian listed companies with the aim of trading these shares to generate a profit.

The main risks arising from the Company's financial instruments are interest rate risk and credit risk and market risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

(a) Interest Rate Risk

The Company's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities. The Company does not have short or long term debt, and therefore this risk is minimal.

At balance date, the Company had the following financial assets and liabilities exposed to interest rate risk that are not designated as cash flow hedges:

	Consolidated 2015 $	Consolidated 2014 $
Financial Assets		
Cash and cash equivalents	**340,922**	751,496

(b) Credit Risk

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Company's maximum exposure to credit risk.

(c) Foreign exchange risk

The Company has no exposure to foreign exchange risk.

(d) Equity securities price risk

Equity securities price risk arises from investments in listed equity securities. The Group is exposed to equity price risk arising from its equity investments. Equity investments are held for trading purposes. The Group does not actively trade these investments and no hedging or derivative transactions have been used to manage equity price risk.

(e) Sensitivity analysis

The following tables summarise the sensitivity of the Group's financial assets and liabilities to interest rate risk, foreign exchange risk, and equity securities price risks. Had the relevant variables, as illustrated in the tables, moved, with all other variables held constant, post tax profit and equity would have been affected as shown. The analysis has been performed on the same basis for 2015 and 2014.

Consolidated			**Interest Rate Risk**		**Interest Rate Risk**	
30 June 2015		**Carrying**	**-1%**		**+1%**	
		Amount	**Profit**	**Equity**	**Profit**	**Equity**
		$	**$**	**$**	**$**	**$**
Financial Assets	**Footnote**					
Cash and cash equivalents	1	**340,922**	(3,409)	(3,409)	3,409	3,409
Trade and other receivables	2	**67,589**				
Other financial assets	3	**15,989**				
Financial Liabilities						
Trade and other payables	4	**924,966**				
Borrowings	5	**939,189**	9,391	9,391	(9,391)	(9,391)
Total increase / (decrease)			**5,982**	**5,982**	**(5,982)**	**(5,982)**

Consolidated			**Interest Rate Risk**		**Interest Rate Risk**	
30 June 2014		**Carrying**	**-1%**		**+1%**	
		Amount	**Profit**	**Equity**	**Profit**	**Equity**
		$	**$**	**$**	**$**	**$**
Financial Assets	**Footnote**					
Cash and cash equivalents	1	751,496	(7,514)	(7,514)	7,514	7,514
Trade and other receivables	2	54,171	-	-	-	-
Other financial assets	3	258,628	-	-	-	-
Financial Liabilities						
Trade and other payables	4	676,190	-	-	-	-
Borrowings	5	542,255	5,422	5,422	(5,422)	(5,422)
Total increase / (decrease)			**(2,092)**	**(2,092)**	**2,092**	**2,092**

[1] Cash and cash equivalents are denominated in AUD and include deposits at call at floating and short-term fixed interest rates. At 30 June 2015, NIL was denominated in foreign currencies (30 June 2014 -$Nil)
[2] Trade and other receivables are denominated in AUD and are not interest bearing.
[3] Other financial assets are equity securities listed on the ASX and are denominated in AUD.
[4] Trade and other payables at balance date are denominated in AUD and are not interest bearing.
[5] Loan bears an interest rate of 10% per annum.

(f) Liquidity risk

The consolidated entity's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, convertible notes and finance leases. Cash flows from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will roll forward.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Consolidated Group	Within 1 year		1 to 5 years		Over 5 years		Total	
	2015 $	2014 $	**2015 $**	2014 $	**2015 $**	2014 $	**2015 $**	2014 $
Financial liabilities - due for payment:								
Trade and other payables	**924,966**	676,190	-	-	-	-	**924,966**	676,190
Borrowings	**939,189**	542,255	-	-	-	-	**939,189**	542,255
Total contractual outflows	**1,864,155**	**1,218,445**	**-**	**-**	**-**	**-**	**1,864,155**	**1,218,445**
Cash and cash equivalents	**340,922**	751,496	-	-	-	-	**340,922**	751,496
Trade and other receivables	**67,589**	54,171	-	-	-	-	**67,589**	54,171
Financial assets	**15,989**	258,628	-	-	-	-	**15,989**	258,628
Total anticipated inflows	**424,500**	**1,064,295**	**-**	**-**	**-**	**-**	**424,500**	**1,064,295**
Net inflow/(outflow) on financial instruments	**(1,439,655)**	**(154,150)**	**-**	**-**	**-**	**-**	**(1,439,655)**	**(154,150)**

Management and the board monitor the Group's liquidity reserve on the basis of expected cash flow. The information that is prepared by senior management and reviewed by the board includes:

(i) Annual cash flow budgets;

(ii) Monthly rolling cash flow forecasts.

(g) Net fair values

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 1.

15. COMMITMENTS FOR EXPENDITURE

The consolidated group currently has commitments for expenditure at 30 June 2015 on its Australian exploration tenements as follows:

	Consolidated Group 2015 $	Consolidated Group 2014 $
Not later than 12 months	**808,885**	1,006,460
Between 12 months and 5 years	**2,055,435**	1,985,023
Greater than 5 years	**365,517**	260,000
	3,229,837	3,251,483

The Company evaluates its tenements and exploration programme on an annual basis and may elect not to renew tenement licences if it deems appropriate.

Other Commitments

The company had a commitment in 2014 to third parties for the provision of financial, accounting and secretarial support, corporate office rent, support and corporate advisory services. This commitment has now been waived with these services being provided on a month to month basis.

	Consolidated Group 2015 $	Consolidated Group 2014 $
Not later than 12 months	-	150,000
Between 12 months and 5 years	-	450,000
Greater than 5 years	-	-
	-	600,000

16. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company has no contingent assets or liabilities, other than a deferred consideration of $2 million receivable on the Yangibana project (sold in 2011) achieving bankable feasibility. During the previous year the Company sold a further 10% interest in the Yangibana project for $150,000 and thereby assumed a liability of $166,667 on the project reaching bankable feasibility which would be deducted from the $2 million receivable.

17. RELATED PARTY DISCLOSURES

Refer to the Remuneration Report contained in the Directors Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2015. Key management personnel for the year ended 30 June 2015 comprised the directors and the General Manager Exploration.

The total remuneration paid to key management personnel of the company and the group during the year are as follows:

	Consolidated Group	
	2015 $	2014 $
Short term employee benefits	**183,118**	257,102
Share based payments	**16,500**	76,000
	199,618	333,102

The company contracts with third parties for the provision of all administrative and support services and geological consulting support services.

(c) Remuneration Options: Granted and vested during the financial period ending 30 June 2015

No options were granted to directors during the year.

The relevant share based payment disclosures are contained in Note 20 to the financial statements.

(d) Share and Option holdings

All equity dealings with directors have been entered into with terms and conditions no more favourable than those that the entity would have adopted if dealing at arm's length.

(e) Related Party Transactions

	Consolidated Group 2015 $	Consolidated Group 2014 $
Expenses		
Integrated CFO Solutions Pty Limited[1]	**5,664**	60,000
Aetos Consulting Limited[2]	**32,496**	43,902
Doraleda[3]	**13,493**	-
	51,653	103,902

1 Accounting services fees paid to Integrated CFO Solutions Pty Limited, a company in which Mr Robertson has an interest.

2 Consulting fees paid to Aetos Consulting Limited, a company in which Mr Frangeskides has an interest.

3 Consulting fees paid in respect of Mr Edward Mead, to Doraleda Pty Limited, a company in which Mr Mead has an interest.

18. SEGMENT INFORMATION

The consolidated entity operates in Australia and Greenland in mineral and mining exploration. As at 30 June 2015 the Company has four major project areas being West Pilbara, Eastern Hills, Mount Clement and Amitsoq, Greenland.

	Consolidated	
	2015 $	2014 $
Segment Revenue		
External segment revenue	**107,539**	17,987
Segment expenses from		
- continuing operating activities	**(4,055,814)**	(1,992,464)
(Loss) before income tax	**(3,948,275)**	(1,974,477)
Income tax benefit	**-**	-
(Loss) after income tax	**(3,948,275)**	(1,974,477)
Assets		
Segment Assets	**7,161,304**	9,433,130
Total assets	**7,161,304**	9,433,130
Liabilities		
Segment Liabilities	**1,864,154**	1,250,640
Total Liabilities	**1,864,154**	1,250,640

An analysis of segment assets is as follows:

Assets		
Exploration assets		
West Pilbara	**3,724,352**	3,197,942
Mount Clement/Eastern Hills	**2,421,105**	2,563,261
Amitsoq	**65,446**	-
Yandal	**-**	2,081,731
Other exploration assets	**525,900**	525,901
Total exploration assets	**6,736,804**	8,368,835
Unallocated	**424,500**	1,064,295
TOTAL ASSETS	**7,161,304**	9,433,130

19. EARNINGS PER SHARE

	Consolidated Group 2015 Cents	Consolidated Group 2014 Cents
Reconciliation of earnings per share		
Basic and diluted earnings per share	**(0.34)**	(0.29)
(Loss) used in the calculation of the basic earnings per share	**(3,948,275)**	(1,974,477)
	No. of shares	No. of shares
Weighted average number of ordinary shares:		
Used in calculating basic earnings per ordinary share	**1,150,579,419**	686,889,109
Dilutive potential ordinary shares	**-**	-
Used in calculating diluted earnings per share	**1,150,579,419**	686,889,109

The company currently has a number of options as disclosed in the directors' report. These options could potentially dilute basic earnings per share in the future, but have not been included in the earnings per share calculation above due to being anti-dilutive for the period.

20. AUDITOR'S REMUNERATION

	Consolidated 2015 $	Consolidated 2014 $
Auditor of parent entity		
Audit fees – Hall Chadwick	**26,000**	37,550
Other services	**3,000**	-
Total	**29,000**	37,550

For the year ended 30 June 2015 the auditor appointed is Hall Chadwick (2014-RSM Bird Cameron).

21. SHARE BASED PAYMENTS

Goods or services received or acquired in a share-based payment transaction are recognised as an increase in equity if the goods or services were received in an equity-settled share-based payment transaction or as a liability if the goods and services were acquired in a cash settled share-based payment transaction.

For equity-settled share-based transactions, goods or services received are measured directly at the fair value of the goods or services received provided this can be estimated reliably. If a reliable estimate cannot be made the value of the goods or services is determined indirectly by reference to the fair value of the equity instrument granted.

Transactions with employees and others providing similar services are measured by reference to the fair value at grant date of the equity instrument granted.

Details of the options issued to key management personnel are included in the Directors' report.

The following table illustrates the number (No.) and weighted average exercise prices of and movements in unlisted share options issued during the year:

	No. 2015	Weighted average exercise price	No. 2014	Weighted average Exercise price
Outstanding at the beginning of the year	20,000,000	4 cents	23,933,333	4.5 cents
Granted during the year	125,000,000	0.3 cents	-	-
Exercised during the year	-	-	-	-
Expired/cancelled during the year	(20,000,000)	4 cents	(3,933,333)	7.2 cents
Outstanding at the end of the year	-	-	20,000,000	4 cents
Exercisable at the end of the year	125,000,000	0.3 cents	20,000,000	4 cents

The share options outstanding at the end of the year had a weighted average exercise price of $Nil (2014: $0.04) and weighted average remaining contractual life of years of Nil (2014:0.36 years).

The weighted average fair value of options granted during the year was $125,000 (2014 : $Nil).

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were as follows:

	Consolidated Group 2015 $	**Consolidated Group** 2014 $
Total key management personnel	16,500	76,000

Other information

No options have been exercised in the year to 30 June 2015.

22. RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES TO LOSS AFTER INCOME TAX

	Consolidated 2015 $	Consolidated 2014 $
Loss after income tax	**(3,948,275)**	(1,974,477)
Depreciation	**-**	6,765
Exploration expenditure written off	**2,228,830**	795,647
Share based payments	**46,500**	203,000
Loss on disposal of investments	**-**	28,418
Profit on sale of shares	**(100,297)**	-
Changes in assets and liabilities during the financial period:		
Decrease/(increase) in receivables	**(13,417)**	(4,934)
(Decrease)/Increase in trade and other payables	**370,545**	82,741
Net cash outflow from operating activities	**(1,416,114)**	(862,840)

Non cash financing and investing activities

During the year the Company acquired a further 29% interest in Western Metals Pty Ltd for $193,750 being the value of shares $68,750 (see Note 12) and options $125,000 (see note 21) issued. In addition the company settled capital raising and consulting fees with the issue of shares with a value of $46,500.

23. PARENT ENTITY DISCLOSURES

(a) Financial position

	2015 $	2014 $
Current Assets		
Cash and cash equivalents	**340,722**	750,187
Trade and other receivables	**67,589**	54,171
Total Current Assets	**408,311**	804,358
Non-current Assets		
Trade and other receivables	**1,907,481**	3,621,979
Financial assets	**2,372,200**	2,449,679
Plant and Equipment		-
Evaluation and exploration expenditure	**2,486,551**	2,563,261
Total Non-current assets	**6,766,232**	8,634,919
Total Assets	**7,174,543**	9,439,277
Current Liabilities		
Trade and other payables	**1,864,155**	1,218,253
Total Current Liabilities	**1,864,155**	1,218,253
Non Current Liabilities		
Deferred tax liability	**-**	32,195
Total Non Current Liabilities	**-**	32,195
TOTAL LIABILITIES	**1,864,155**	1,250,448
NET ASSETS	**5,310,388**	8,188,829
EQUITY		
Share Capital	**29,956,601**	28,918,344
Reserves	**125,000**	572,536
Accumulated losses	**(24,771,213)**	(21,302,051)
TOTAL EQUITY	**5,310,388**	8,188,829

(b) Reserves

Option issue reserve	**125,000**	472,213
Unrealised gains reserve	**-**	100,323
	125,000	572,536

(c) Financial performance

Loss for the year	**(3,948,275)**	(1,974,477)
Other comprehensive income	**(100,323)**	14,369
Total comprehensive income	**(4,048,598)**	(1,960,108)

(d) Commitments

Exploration commitments		
Not later than 12 months	**131,900**	131,900
Between 12 months and 5 years	**442,096**	420,850
	573,996	552,750
Administration commitments		
Not later than 12 months	**-**	150,000
Between 12 months and 5 years	**-**	450,000
	-	600,000

24. ACQUISITION OF SUBSIDIARY

During the period the Company acquired a further 29% of Western Metals Pty Limited (which holds the Weerianna Gold project) for a consideration of share and options which has been attributed as follows: 48,437,500 shares ($68,750) and 125 million options ($125,000). The options are exercisable at $0.03 per share with expiry date of 31 August 2016.

The consideration is considered fair value for the project acquired. The amount of the acquisition cost $181,250 has been included in exploration expenditure capitalised on the West Pilbara project.

25. SIGNIFICANT AFTER BALANCE DATE EVENTS

On the 5 August 2015 the Company announced an earn in to the Munni Munni platinum group elements (PGFE) deposit. The initial consideration of 100,000,000 Artemis shares was issued on 24 August 2015. The Company will earn a 70% interest by spending $750,000 over the next three years.

Other than as outline above there are no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Directors' Declaration

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 26 to 50, are in accordance with the *Corporations Act 2001* and:
   a. comply with Accounting Standards which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
   b. give a true and fair view of the financial position as at 30 June 2015 and of the performance for the period ended on that date of the company and consolidated group;
2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
3. the directors have been given the declarations required by s295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer.

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

Edward Mead
Director
23 September 2015

ARTEMIS RESOURCES LIMITED
ABN 80 107 051 749
AND ITS CONTROLLED ENTITIES

SYDNEY

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Australia

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTEMIS RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Artemis Resources Limited which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, 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, 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 (IFRS).

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgment, 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 company's preparation 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 opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

ARTEMIS RESOURCES LIMITED
ABN 80 107 051 749
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTEMIS RESOURCES LIMITED

Auditor's Opinion

In our opinion:

a. the financial report of Artemis Resources Limited 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 2015 and of its performance for the year ended on that date; and

   ii. complying with Australian Accounting Standards and the Corporations Act 2001; and

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

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1(b) in the financial report, which indicates that the company incurred a net loss of $3,948,275 during the year ended 30 June 2015, and as of that date, the company's current liabilities exceeded its current assets by $1,439,654. These conditions, along with other matters as set forth in Note 1(b), indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amount stated in the financial report.

Report on the Remuneration Report

We have audited the remuneration report included in pages 20 to 23 of the directors' report for the year ended 30 June 2015. 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.

Auditor's Opinion

In our opinion the remuneration report of Artemis Resources Limited for the year ended 30 June 2015 complies with Section 300A of the Corporations Act 2001.

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Dated: 23 September 2015

ADDITIONAL INFORMATION FOR LISTED COMPANIES
AS AT 17 SEPTEMBER 2015

The following additional information is required by the Australian Stock Exchange pursuant to Listing Rule 4.10.

a. Distribution of Shareholders

Spread of Holdings	Holders	Securities	% of Issued Capital
NIL holding	0	0	0.00%
1 - 1,000	75	6,833	0.00%
1,001 - 5,000	10	20,951	0.00%
5,001 - 10,000	10	68,810	0.01%
10,001 - 100,000	136	6,524,228	0.49%
Over 100,000	557	1,331,695,589	99.51%
TOTAL ON REGISTER	788	1,338,316,411	100.00%

b. The number of shareholders who hold less than a marketable parcel is 525.

c. Substantial shareholders

The names of the substantial shareholders in the Company, the number of equity securities to which each substantial shareholder and substantial holder's associates have a relevant interest, as disclosed in substantial holding notices given to the Company are:

	No of shares	%
ARMENGAEL INVESTMENTS LTD	180,751,667	17.01%
PERSHING AUST NOM PL	155,087,875	11.59%
PLATINA RESOURCES LTD	100,000,000	7.47%
BLACK SWAN GLOBAL PL	85,528,774	6.39%

d. Twenty largest holders ordinary shares

Rank	Holder Name	Designation	Securities	%
1	ARMENGAEL INV LTD		180,751,667	13.51%
2	PERSHING AUST NOM PL	INDIAN OCEAN A/C	155,087,875	11.59%
3	PLATINA RES LTD		100,000,000	7.47%
4	BLACK SWAN GLOBAL PL	BLACK SWAN INV A/C	85,528,774	6.39%
5	LEGEND MINING LTD		60,000,000	4.48%
6	NORMANDY CORP PL	NORMANDY S/F A/C	50,999,998	3.81%
7	MCILLREE RODERICK CLAUDE		42,000,000	3.14%
8	CITICORP NOM PL		37,873,619	2.83%
9	DEMPSEY RES PL		33,533,333	2.51%
10	OKEWOOD PL		33,333,333	2.49%
11	PETROVIC MIROSLAV M		24,423,297	1.82%
12	PEDROSO RES PL		19,916,046	1.49%
13	MEGALOCONOMOS PL	MEGALOCONOMOS S/F	17,000,000	1.27%
14	AUST ROYALTIES CORP PL		12,000,000	0.90%
15	CONOMOS ARTHUR JOHN		11,700,000	0.87%
16	BOLLAM CHRISTOPHER L		11,530,078	0.86%
17	BUSHELL HUGH MAXWELL		9,800,000	0.73%
18	GRAF SIEGFRED	GRAF S/F A/C	8,400,000	0.63%
19	AUST ROYALTIES CORP PL		8,325,636	0.62%
20	KONG RAYMOND		8,114,513	0.61%
		TOP 20 TOTAL	910,318,169	68.02%

e. Option holders – exercise price $0.003 expiry 31 July 2016 – (ASX Code: ARVOB)

Spread of Holdings	Holders	Securities	% of Issued Capital
NIL holding	0	0	0.00%
1 - 1,000	6	2,916	0.00%
1,001 - 5,000	30	79,160	0.10%
5,001 - 10,000	27	197,246	0.25%
10,001 - 100,000	69	2,156,094	2.69%
Over 100,000	18	77,693,232	96.96%
TOTAL ON REGISTER	150	80,128,648	

Twenty largest holders of listed options ASX Code ARVOB

Rank	Holder Name	Designation	Securities	%
1	ARMENGAEL INV LTD		45,187,917	56.39%
2	MCILLREE RODERICK CLAUDE		9,254,960	11.55%
3	DEMPSEY RES PL		8,333,333	10.40%
4	OKEWOOD PL		8,333,333	10.40%
5	BOLLAM CHRISTOPHER L		1,297,615	1.62%
6	CASSERLY PETER BRIAN		1,110,000	1.39%
7	KEAYS JOHN BARRIE		849,480	1.06%
8	GRAF SIEGFRED	GRAF S/F A/C	700,000	0.87%
9	KONG RAYMOND		676,211	0.84%
10	ODEA DAVID ANTHONY		500,000	0.62%
11	BAIRD DONALD CLYDE + M A	MARDON INV FUND A/	312,500	0.39%
12	LAWRENCE CROWE CONS PL	L C C S/F A/C	250,000	0.31%
13	ROUSSEAU LINTON CHARLES		187,500	0.23%
14	DB BUILDING CONTROLS VIC)		186,750	0.23%
15	SLOCOMB JEFFREY A + C F		174,049	0.22%
16	STAUNTON BERNARD	STAUNTON SUPER A/C	125,000	0.16%
17	GIBBS MALCOLM ERIC		108,334	0.14%
18	AUST EXECUTOR TTEES LTD	NO 1 ACCOUNT	106,250	0.13%
19	DE LAUTOUR DOUGLAS		78,750	0.10%
20	LAU WILLIAM TAI-CHUEN		75,000	0.09%
		TOP 20 TOTAL	77,846,982	97.14%

f. Option holders – exercise price $0.02 expiry 31 August 2016 (ASX Code: ARVOA)

Spread of Holdings	Holders	Securities	% of Issued Capital
NIL holding	0	0	0.00%
1 - 1,000	7	3,410	0.00%
1,001 - 5,000	37	104,456	0.08%
5,001 - 10,000	43	348,780	0.27%
10,001 - 100,000	161	7,068,654	5.57%
Over 100,000	92	119,321,598	94.07%
TOTAL ON REGISTER	340	126,846,898	

Twenty largest holders of listed options ASX Code ARVOA

Rank	Holder Name		Securities	%
1	GOFFACAN PL		15,000,000	11.83%
2	BLACK SWAN GLOBAL PL	BLACK SWAN INV A/C	14,812,064	11.68%
3	HEATON ROBERT CHARLES		10,000,000	7.88%
4	LIU BIN		7,825,250	6.17%
5	NUTSVILLE PL	INDUST ELECTRIC CO	4,166,666	3.28%
6	INNER GLOW HLDGS PL	INNER GLOW HLDGS A	4,166,666	3.28%
7	BOLLAM CHRISTOPHER L		3,171,839	2.50%
8	BURFORD MATTHEW		3,139,898	2.48%
9	PETROVIC MIROSLAV M		2,991,899	2.36%
10	M & K KORKIDAS PL	M&K KORKIDAS PL S/	2,839,874	2.24%
11	O'SULLIVAN RICHARD M		2,500,000	1.97%
12	ASSURANCE CAP PL		2,500,000	1.97%
13	NORTH OF THE RIVER INV PL		2,500,000	1.97%
14	DELMAC PL	GHIRARDELLO S/F A/	2,426,363	1.91%
15	LAWRENCE CROWE CONS PL	L C C S/F A/C	2,000,000	1.58%
16	KONG RAYMOND		1,971,392	1.55%
17	ODEA DAVID ANTHONY		1,800,000	1.42%
18	MOOSEHEAD PL		1,666,666	1.31%
19	SANPEREZ PL	P CHALMERS PARTNER	1,436,485	1.13%
20	PAUL GILLETT INV PL	PAUL GILLETT S/F A	1,400,000	1.10%
		TOP 20 TOTAL	88,315,062	69.61%

OTHER DETAILS

1. Address and telephone details of entity's registered and administrative office

The address and telephone details of the registered and administrative office in Australia are:
Level 3, IBM Building
1060 Hay Street
West Perth WA 6005
Telephone: +(612) 9078 7670
Facsimile: +(612) 9078 7661

2. Address and telephone details of the office at which the register of securities is kept

The address and telephone of the office at which a register of securities is kept:
Security Transfer Registrars Pty Limited
770 Canning Highway
Applecross, Western Australia 6153

3. Stock exchange on which the Company's securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange

4. Review of Operations

A review of operations is contained in the Review of Operations report.

5. On market buy-back

There is currently no on-market buy-back.

ARTEMIS RESOURCES LIMITED
ABN 80 107 051 749

BOARD OF DIRECTORS
George Frangeskides (Non-Executive Director)
Edward Mead (Non-executive Director)
Campbell Baird (Non-executive Director)

REGISTERED OFFICE
Level 3, IBM Building
1060 Hay Street
West Perth WA 6005

Ph: (08) 9480 0459

SHARE REGISTRY
Security Transfer Registrars Pty Limited
770 Canning Highway
APPLECROSS WA 6953

Ph: (08) 9315-2333
Fax: (08) 9315-2233
www.securitytransfer.com.au

AUDITORS
Hall Chadwick

WEBSITE
www.artemisresources.com.au