

High Grade Gold Mineralisation Assay Results Silica Hills and Purdy's Reward

Highlights

- ✓ Assay results confirm high grade gold mineralisation in rock chip samples at both Silica Hills and Purdy's Reward
- ✓ Gold grades up to 35.6 grams/tonne¹ recorded at surface at Purdy's Reward
- ✓ Gold grades up to 29.8 grams/tonne² recorded at surface at Silica Hills

Artemis Resources Ltd (ASX: ARV) is pleased to announce the results of preliminary rock chip sampling from Purdy's Reward, 35 km SSE of Karratha ("Purdy's Reward Project"), and Silica Hills Mining Leases 23 km SSE of Karratha ("Silica Hills Gold Project") in the West Pilbara (Figure 5).

The samples were collected to begin lithological characterisation of rock types in the project areas.

The results reflect the presence of coarse nuggetty gold in both areas. Highlights of the recent exploration field programs include over 38.3 ounces of gold from 27 kilograms of quartz specimen material collected from Silica Hills³, and the abundant gold nuggets collected from the Silica Hills Gold Project area⁴.

Purdy's Reward Gold Project

Preliminary investigations by the Company and an independent geologist in the Purdy's area indicate basal remnants of a supergene enriched zone developed during lateritisation (Figure 1). The upper portion of the system has been removed by erosion and the supergene material occurring as nuggets is derived from both higher in the profile and the current level.

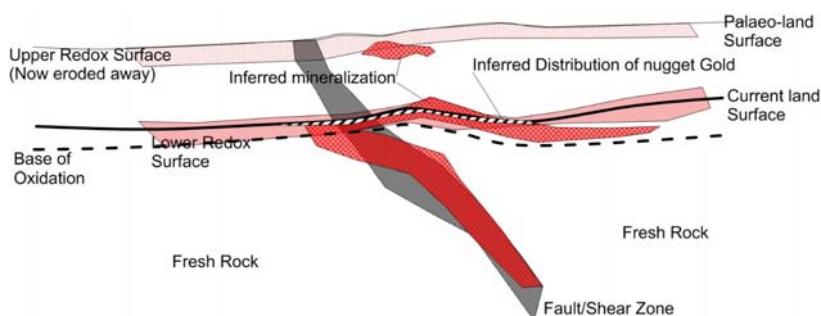


Figure 1: Schematic Interpreted Mineralisation System present in Purdy's Area.

¹ Repeat assay of the same sample assayed 268.7 g/t

² Repeat assay of the same sample assayed 122.1 g/t

³ ASX Announcement dated 8th November 2016

⁴ ASX Announcement dated 16th November 2016

The supergene gold has been redeposited along joints within the rock sequence at or near the base of oxidation. This material is displayed uniquely in Figure 2⁵ from some of the field samples collected during recent field exploration.



Figure 2. Artemis, Purdy's Reward Project – Karratha. Karratha. Gold nugget within fine grained weathered mafic rock.

Two samples collected in the vicinity of the sample in Figure 2, without visible gold, were submitted for fire assay analysis at Nagrom Pty Ltd (Table 1).

	Easting	Northing	Au	Au(2)¹
Method	MGA94 Z50	MGA94 Z50	FA50	FA50
Units			g/t	g/t
SGMC001	502,205	7,676,600	35.754	268.700
SGMC002	502,205	7,676,600	0.907	

Table 1: Purdy's Reward assay results.

Table 1 clearly indicates the presence of coarse gold in the sample SGMC001 although not visible at the time of sampling.

⁵ ASX Announcement dated 8th November 2016

Additionally, the samples were analysed for a suite of elements to assist in lithological and genetic classification of rock types (lithologies). Further samples will be collected to refine this information and to assist in mapping and definition of the source of the mineralisation.

These initial samples indicate the host lithologies have a transitional character of basaltic andesite based on the immobile elements TiO_2 , Zr, Nb, & Y (Figure 3); Artemis will be using geochemical tools such as the Jensen plot that references the more mobile major elements Fe, Ti, Mg and Al to assist in its exploration efforts to define gold mineralisation. Purdy's Reward is a new and exciting area that to date has not been exposed to previous modern day gold exploration.

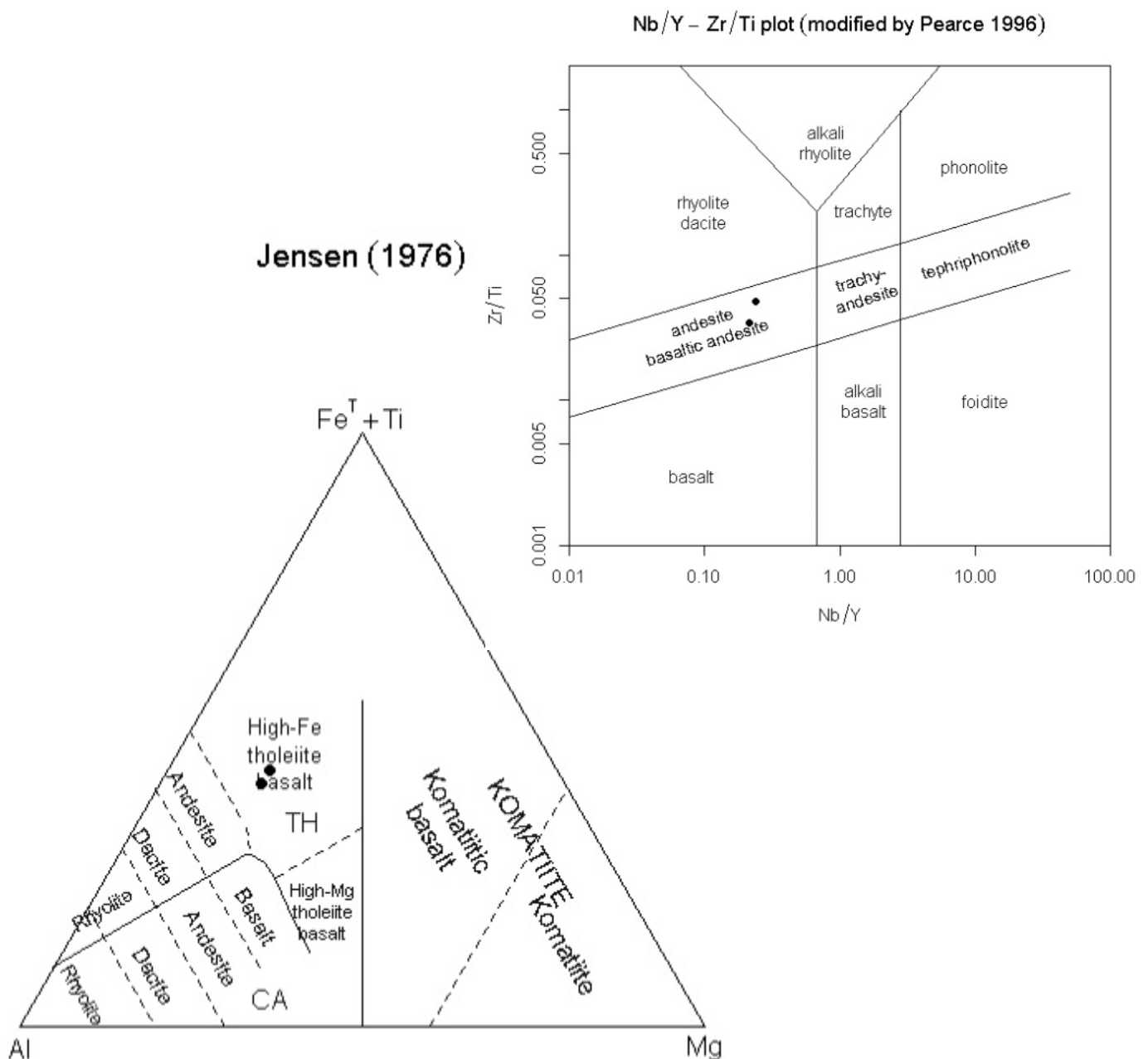


Figure 3: Geochemical Classification of Purdy's Rock Samples (Pearce and Jensen plots)

Silica Hills Gold Project

The samples from Silica Hills also show extreme internal variations due to the presence of coarse gold. Neither of the high grade samples SHQC001 & 002 at Silica Hills occur in proximity to the 38.3ozs submitted to the Mint. This clearly indicates the potential to outline additional high grade material in the area.

Sample Number	Easting	Northing	Au	Au(2) ²
Method	MGA94 Z50	MGA94 Z50	FA50	FA50
Units			g/t	g/t
SHQC001	492859	7684490	29.815	122.122
SHQC002	492874	7684492	0.409	
SHQC004	492929	7684489	0.118	
SHQC007	492934	7684478	1.130	
SHQC011	492945	7684463	0.126	
SHQC012	492932	7684459	0.250	
SHQC013	492938	7684452	0.030	
SHQC016	493057	7684404	22.567	9.076

Table 2: Silica Hills assay results.

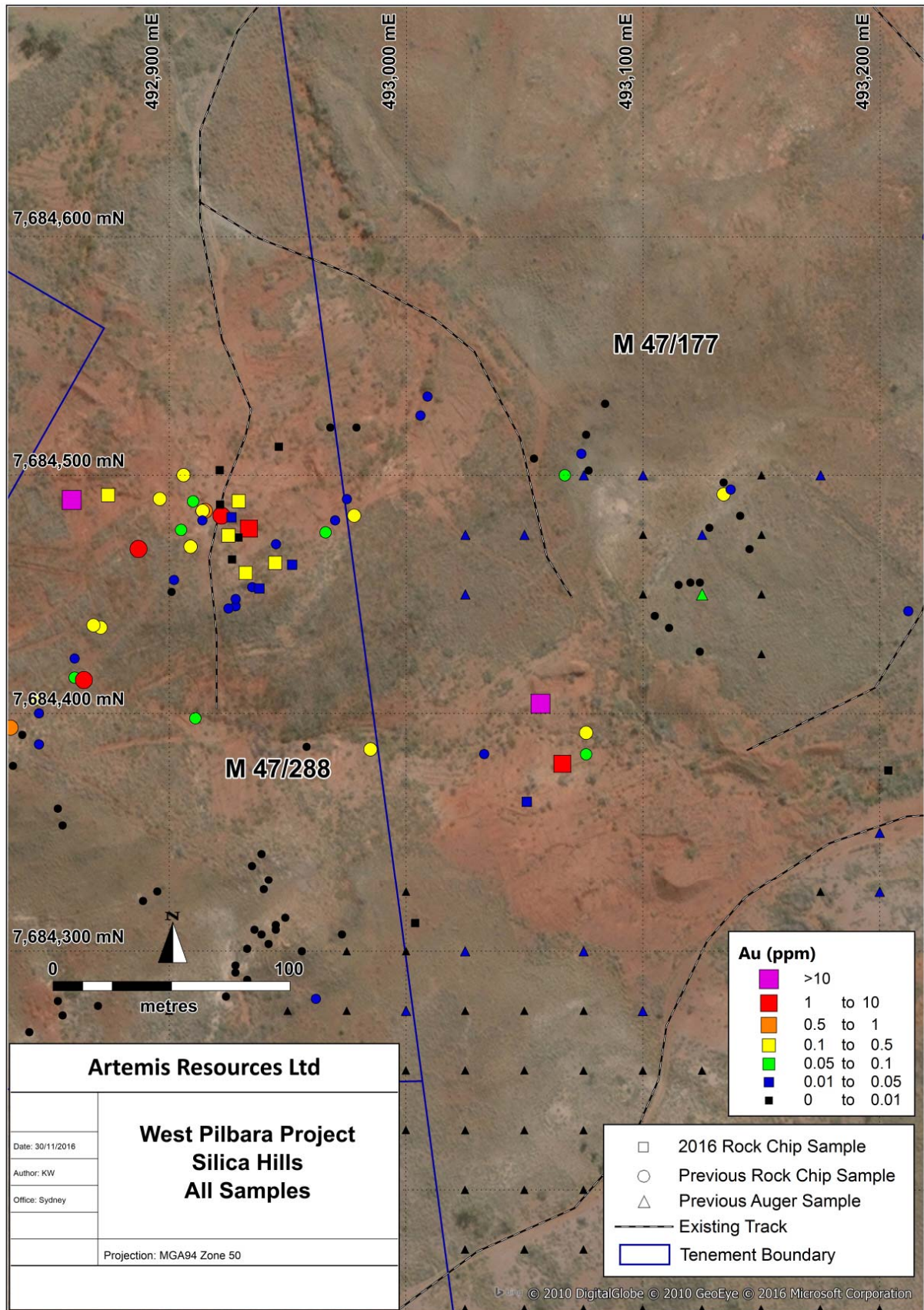


Figure 4: Location of high grade gold samples from Silica Hills area.

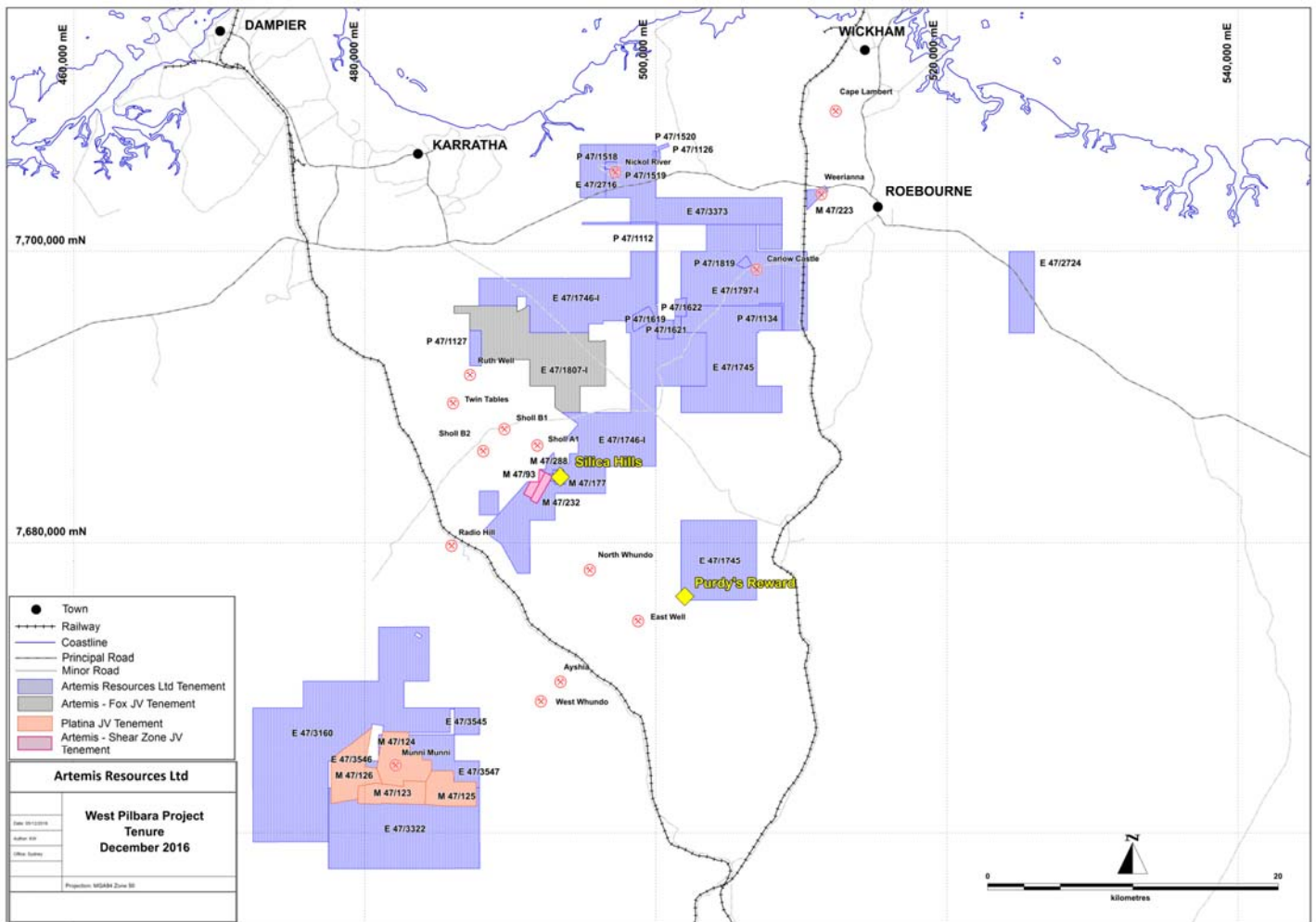


Figure 5: West Pilbara Project Tenure and Prospect Locations



ABOUT ARTEMIS RESOURCES

Artemis Resources Limited is a resources exploration company with a focus on its prospective West Pilbara (gold, base metals, platinum and platinum group elements) and Mt Clements (gold and antimony) projects in Western Australia. These projects have only recently been consolidated into Artemis and offer significant exploration potential with close proximity to existing infrastructure.

For further information, please contact:

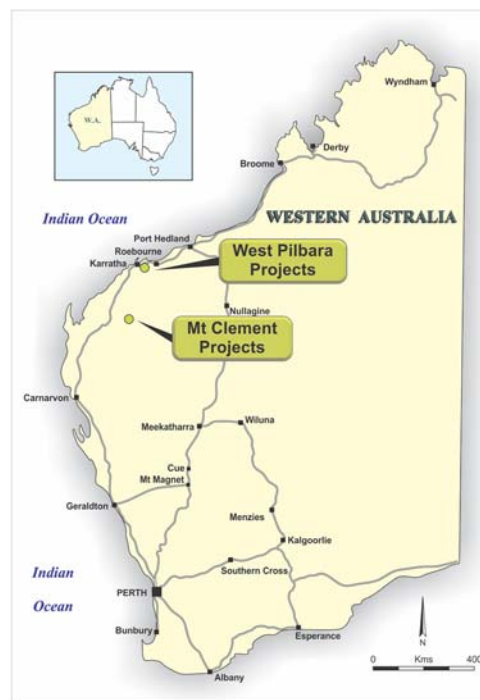
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Competent Person Statements

The information in this document that relates to Exploration Results and Exploration Targets is based on information compiled or reviewed by Edward Mead, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Mead is a Director of Artemis Resources Limited and is a consultant to the Company, and is employed by Doralada Pty Ltd. 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.

Forward Looking Statements

This report contains forecasts, projections and forward looking information. Such forecasts, projections and information are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are out of Artemis' control. Actual results and developments will almost certainly differ materially from those expressed or implied. Artemis has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this presentation. To the maximum extent permitted by applicable laws, Artemis makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for (1) the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission from, any information, statement or opinion contained in this report and (2) without prejudice to the generality of the foregoing, the achievement or accuracy of any forecasts, projections or other forward looking information contained or referred to in this report.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> A manual rock chip sampling technique testing specific geological targets was used to obtain a 0.5-1.5kg sample for submission to the laboratory for Fire Assay/ICP and XRF analysis. No field duplicates or blanks were submitted for analysis.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Not applicable
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Not applicable
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All rock samples are geologically logged by the geologist in the field. It is not considered that these samples will be used to support appropriate Mineral Resource estimation, mining studies or metallurgical studies. Logging is considered to be semi-quantitative given the nature of the alteration of these surficial rock chips and the inability to obtain detailed geological information.
Sub-sampling techniques	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary 	<ul style="list-style-type: none"> The random sampling of rock chips is considered representative of the mineralisation present in the target lithological units.

Criteria	JORC Code explanation	Commentary
and sample preparation	<p><i>split, etc and whether sampled wet or dry.</i></p> <ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> No field duplicates were collected for analysis. A sample size of 0.5-1.5kg was collected and considered appropriate and representative for the grain size and style of mineralisation
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Nagrom Laboratories (Perth) were used for all analysis work carried out on the Artemis Resources Ltd rock chip samples. The laboratory techniques below are for all rock chip samples submitted to Nagrom and are considered appropriate for the style of mineralisation defined at the Eastern Hills Antimony-Lead Project: <ul style="list-style-type: none"> FA-50 Au (50g Fire Assay – ICP Finish).
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> At least two company personnel verify all significant results. All geological mapping and sampling information is completed firstly on to paper maps and survey books before being transferred to Microsoft Excel spreadsheets. All electronic field data is then transferred into a Microsoft Access database for validation and compilation. Physical maps and sampling data are returned to the Artemis head office for scanning and storage. Electronic copies of all information are backed up daily. No adjustments of assay data are considered necessary.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> A Garmin GPSMap62 hand-held GPS is used to define the location of the rock chip sample locations. Standard practice is for the GPS to track the location of the user constantly and the location of the rock chip samples are recorded electronically as 'waypoints' at the time of sampling. Sample locations are considered to be accurate to within 5m. Grid system used for Artemis Resources Ltd sampling is MGA 94 (Zone 50)

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Rock chip sampling has been completed on specific geological targets during geological mapping activities. Data from rock chips will not be used in resource and reserve estimations. Sampling is based on specific geological targets to understand geochemical distribution. No sample compositing is used in this report.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Most rock chip samples have been obtained whilst conducting reconnaissance geological mapping which was seeking to identify mineralised structures/lodes. As the sampling was targeting specific lithologies, to understand the distribution of geochemistry within different rock types and alteration types, there may be some bias in these samples.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> The chain of custody is managed by the project geologist who places calico sample bags in polyweave sacks. Up to 10 calico sample bags are placed in each sack. Each sack is clearly labelled with: <ul style="list-style-type: none"> Artemis Resources Ltd Address of laboratory Sample range Samples are then transported to Perth from Karratha with Bishop Transport.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audit of rock chip sampling data has been completed to date. Data is validated when loading into the database.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> M47/288 & M47/177 – 100% held by Western Metals Pty Ltd, a 100% owned subsidiary of Artemis Resources Ltd. E47/1745 – 100% held by Armada Mining Pty Ltd, a 100% owned subsidiary of Artemis Resources Ltd. M47/177 & M47/288 are in good standing and no known impediments exist. E47/1745 is currently subject to an Application for Forfeiture (plaint). See map elsewhere in this report for locations.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Historic gold production is known from Silica Hills (M47/177 & M47/288) through small-scale prospecting and dry-blowing activities. Only limited exploration is known to have been completed, with the most significant work

Criteria	JORC Code explanation	Commentary
		<p>completed by Acclaim Exploration in 1996. This work included the drilling of 29 RAB drillholes, a small number of which intersected anomalous gold mineralisation.</p> <ul style="list-style-type: none"> The most significant historic exploration identified to date at Purdy's Reward (E45/1745) was completed by Westfield Minerals NL during 1971, targeting nickel and copper. This work included soil sampling, reverse circulation and diamond drilling, and magnetic and IP surveying. All exploration and analysis techniques conducted by Acclaim Exploration & Westfield Minerals are considered to have been appropriate given the available techniques at the time.
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> At Silica Hills coarse gold mineralisation is thought to be present as the basal remnants of a supergene enriched zone developed during lateritisation, with primary mineralisation originally emplaced along a fault/shear zone. At Purdy's Reward, gold mineralisation has been identified as being associated with mafic lithologies. AS exploration is at an early stage at Purdy's Reward, further work is required to determine the geological setting and provenance of the gold mineralisation. Mineralisation occurs as coarse, flat, and rounded nuggety gold within mafic lithologies.
Drill hole Information	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> Not applicable to the current rock chip sampling.
Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths</i> 	<ul style="list-style-type: none"> No upper or lower cut-off grade was applied. No metal equivalents are used for reporting.

Criteria	JORC Code explanation	Commentary
	<p><i>of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> Not applicable
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Appropriate maps and sections are available in the body of this announcement.
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Reporting of results in this report is considered balanced.
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> No other significant exploration work has been done by Artemis.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions, depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Artemis has plans in place to follow-up this mapping and sampling with further geochemical sampling, trenching, and drilling. POW applications have recently been lodged for both Silica Hills and Purdy's Reward.