

JUNE 2019 QUARTERLY ACTIVITIES REPORT

31 July 2019

ASX : ARV**ATY : FRANKFURT****ARTTF : OTCQB****GOLD FOCUSED**

ARTEMIS RESOURCES LIMITED IS AN AUSTRALIAN MINERAL DEVELOPER ADVANCING ITS WEST PILBARA BASE METALS, BATTERY AND PRECIOUS METALS ASSETS TOWARDS PRODUCTION.

ARTEMIS HAS CONSOLIDATED A MAJOR LAND HOLDING IN THE WEST PILBARA AND IS THE 100% OWNER OF THE RADIO HILL OPERATIONS AND PROCESSING INFRASTRUCTURE, STRATEGICALLY LOCATED 30 KM FROM THE CITY OF KARRATHA, THE POWERHOUSE OF THE PILBARA.

ARTEMIS ALSO HAS 600 KM² IN THE PATERSONS RANGE 30KM FROM TELFER GOLD MINE AND SURROUNDING THE HAVIERON DISCOVERY BEING DRILLED BY NEWCREST.

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HIGHLIGHTS**Operations**

- **Carlow Castle Au-Cu-Co Project (100% owned):** Advancing development program including plans to upgrade resource to Indicated classification
- **Armada Au-Cu Project, Paterson Range (100% owned):** Gravity surveys identified three additional high-priority targets
- **Ruth Well Ni-Cu Project (70% owned):** JORC Indicated Mineral Resource defined of 152,000t @ 0.63% Ni and 0.47% Cu for 965t contained Nickel and 713t contained Copper
- **Purdy's Reward Au Project (50% owned):** Mineralisation Report completed by Novo Resources (TSX: NVO) to be used to gain approvals for up to 100,000t sampling
- **Radio Hill Processing Plant (100% owned):** Final approvals received for Tailings Storage Facility (TSF) 3, progressing approvals for TSF 4
- **Rincon Resources acquisition:** Agreement to acquire 100% of Rincon Resources, which holds rights to three highly prospective Au-Cu projects in Western Australia, including the South Telfer projects in the Paterson Range

Corporate

- **Successfully restructured debt terms with London Institutional group, Riverfort Global Capital Ltd**
- **\$1.5m Underwritten Share Purchase Plan (SPP) launched to fund Carlow Castle resource development, Armada geochemical sampling and reduction of debt**
- **Board appoints Ed Mead as interim CEO**
- **Independent boutique investment banking firm Cutfield Freeman & Co appointed to assist in potential corporate transactions**
- **Cash position at 30 June 2019 of \$820,000. \$2.7 million raised in SPP subsequent to quarter end.**

Artemis Resources' Non-Executive Chairman Sheik Maktoum commented:

"The June quarter was a defining period in which we reassessed exploration and development work across our key projects while successfully restructuring our debt terms, placing Artemis in a better position financially.

During the period, we released the Ni-Cu Resource at Ruth Well, Novo Resources finalised a Mineralisation Report on Purdy's Reward, Radio Hill is now fully approved for operation, and we have announced further plans for advancing our Au-Cu-Co project at Carlow Castle.

We've seen increased activity in the Paterson Range by other companies and based on our own exploration at the Armada tenement we now have eleven drill-targets based on our aeromagnetic, gravity and seismic surveys.

We've also realigned our corporate goals and constraints by raising \$2.7m through a Share Purchase Plan subsequent to quarter end, and now with a major land acquisition in the Paterson Range through Rincon Resources, we are well placed for a successful 2019 and beyond."

Artemis Resources Limited (“Artemis” or “the Company”) (ASX:ARV, Frankfurt: ATY, US OTCQB: ARTTF) is pleased to provide an update on activities for the quarter ended 30 June 2019.

EXPLORATION

▪ Carlow Castle

Carlow Castle is a 7.7Mt gold and copper dominant ore body with cobalt credits. The Company’s metallurgy work shows this project is amenable to low-cost processing options as the Company aims for a minimum 3-year mineable reserve for processing at Radio Hill.

During the quarter, Artemis outlined its plans to upgrade the resource to the Indicated classification by building upon 2018’s air-core (AC) and reverse circulation (RC) drilling with a diamond drilling (DDH) program later in 2019. A two stage 10,000m program is planned, first with 5,000m of ~36 holes ranging from 100-280m for drilling Carlow East, Carlow West and East of Quod Est.

Post quarter end, Artemis advised it had commenced a Sub-Audio Magnetics (SAM) survey to explore for additional gold-copper-cobalt at Carlow Castle to the southwest of the current resource area. SAM surveying has previously been successfully utilised at Carlow Castle, providing an additional vector to go with geochemical sampling and geological interpretation.

▪ Patersons Range

Building upon the Company’s aeromagnetic work, results of the Company’s gravity surveys identified three new targets (Bandi, Orion and Romulan) at the Armada copper-gold tenement. Artemis has now defined 11 targets, which the Company will investigate with further geophysics, geochemistry and future drilling.

The three new targets lie ~4km northeast of the Haverion project (owned by Greatland Gold – AIM:GGP). The Company’s confidence in Armada was boosted when Haverion was recently the subject of a USD \$65 million Farm-In Agreement with Newcrest Mining Ltd (ASX: NCM) to advance the project, with an initial 10,000-metre drill program – to complement their nearby Telfer mine.

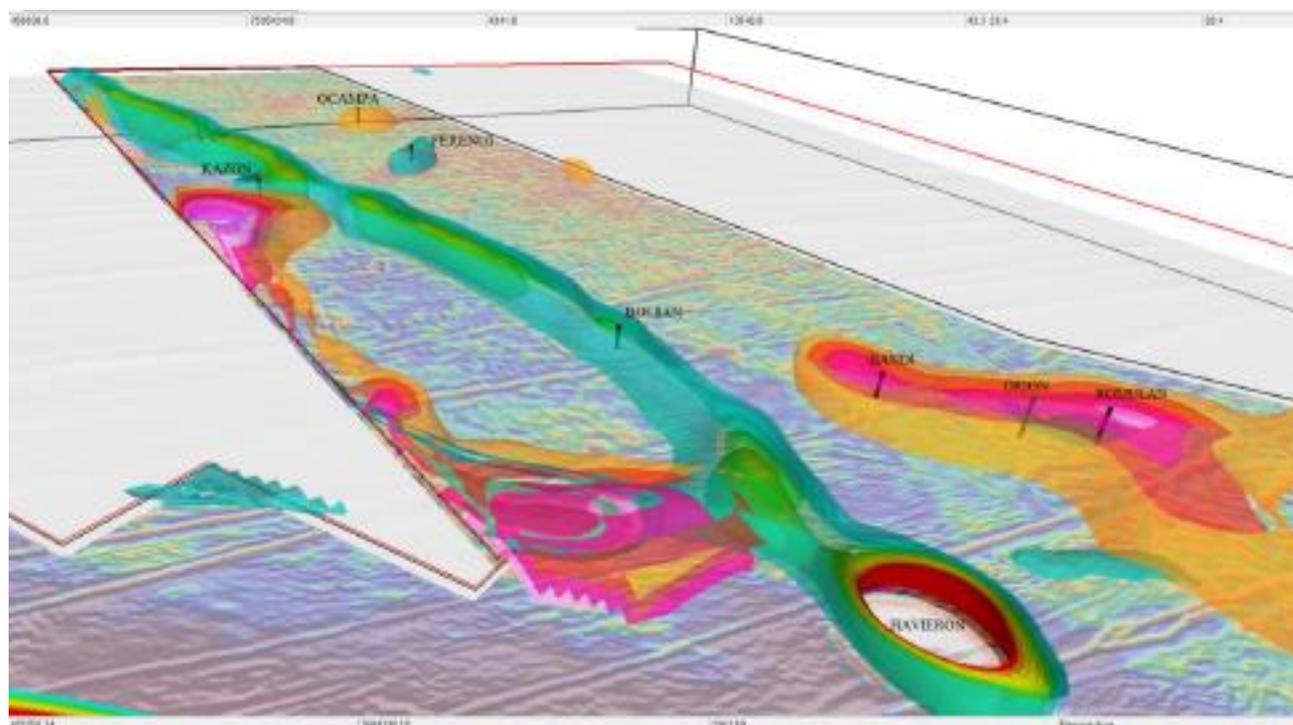


Figure 1: Armada Project, Paterson Range, with 3D Inversion Results for Aeromagnetic/Gravity Surveys, showing the Primary Target/Potential Deep Drill Holes, near Haverion (Greatland Gold / Newcrest).

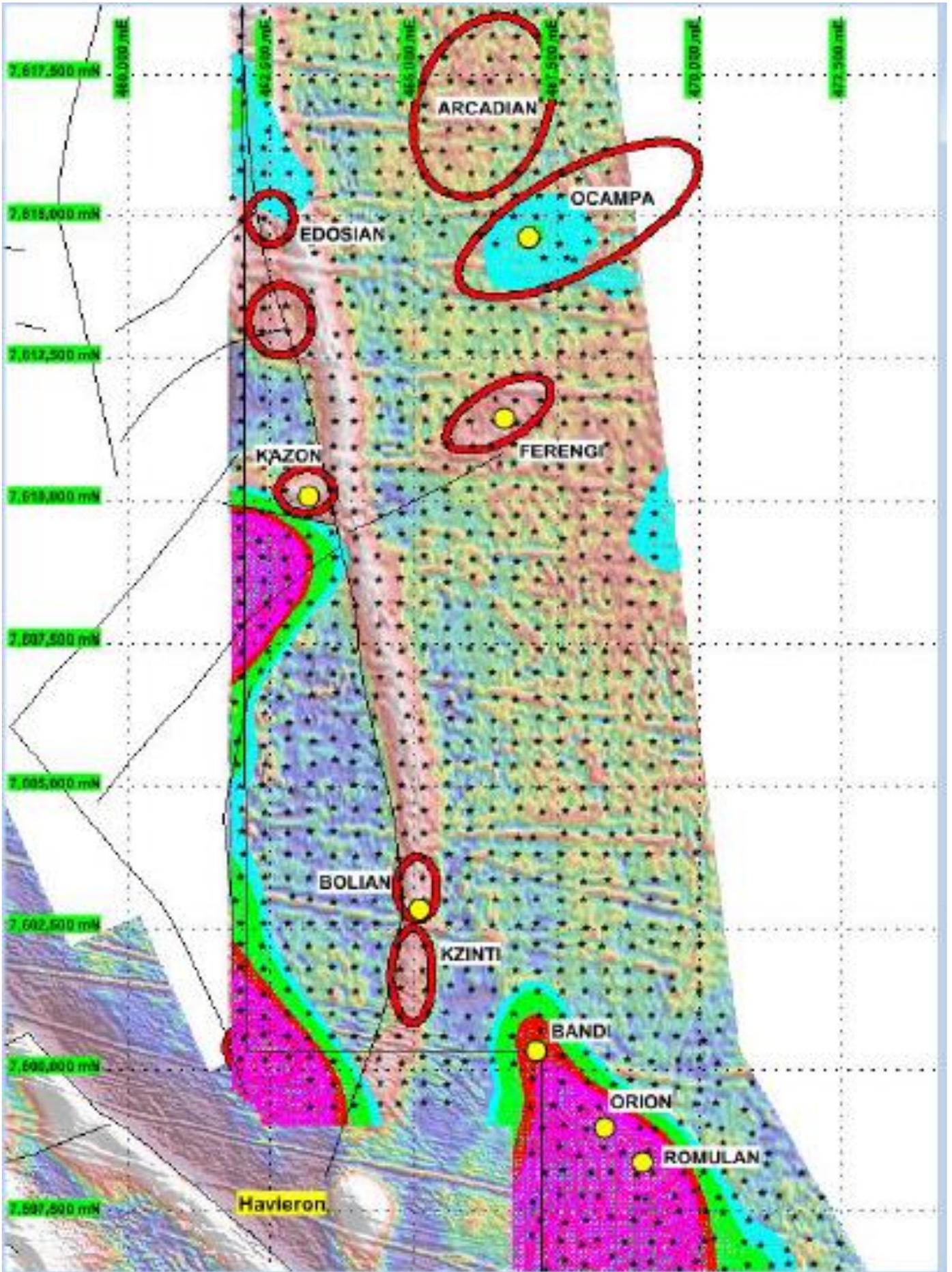


Figure 2: Armada Project, Paterson Range, with - Aeromagnetic/Gravity Targets with 3D Inversion isosurfaces for gravity defining seven potential deep drill targets (yellow dots), for a total of 11 targets (yellow dots or red circles)

Post-quarter end, Artemis signed a binding agreement to acquire 100% of privately-owned Western Australian company Rincon Resources Pty Ltd (“Rincon”). The acquisition of Rincon, which holds the rights to three highly prospective projects in Western Australia (**Figure 3**) is subject to due diligence, acceptances for at least a further 23% of Rincon’s shares (for a total of 90%) and Artemis shareholder approval, for a total consideration of \$2.7m in cash and shares.

Via the acquisition, the Company will add a total of 708km² of new tenements, gaining further exposure to the Paterson Range with the addition of the South Telfer project located approximately 12km from Newcrest Limited’s Telfer mine, as well as two other highly prospective copper-gold projects – Laverton and Kiwirrkurra.

The South Telfer project consists of seven exploration licences and two prospecting licences covering 540km² of prospective geology. The project area has been previously explored by Newcrest (pre-2003) which identified outcropping mineralisation at the Hasties prospect and large gold anomalies at Westin. The South Telfer project could benefit from more recent exploration techniques given the successes of Greatland Gold at Havieron and Black Hills.

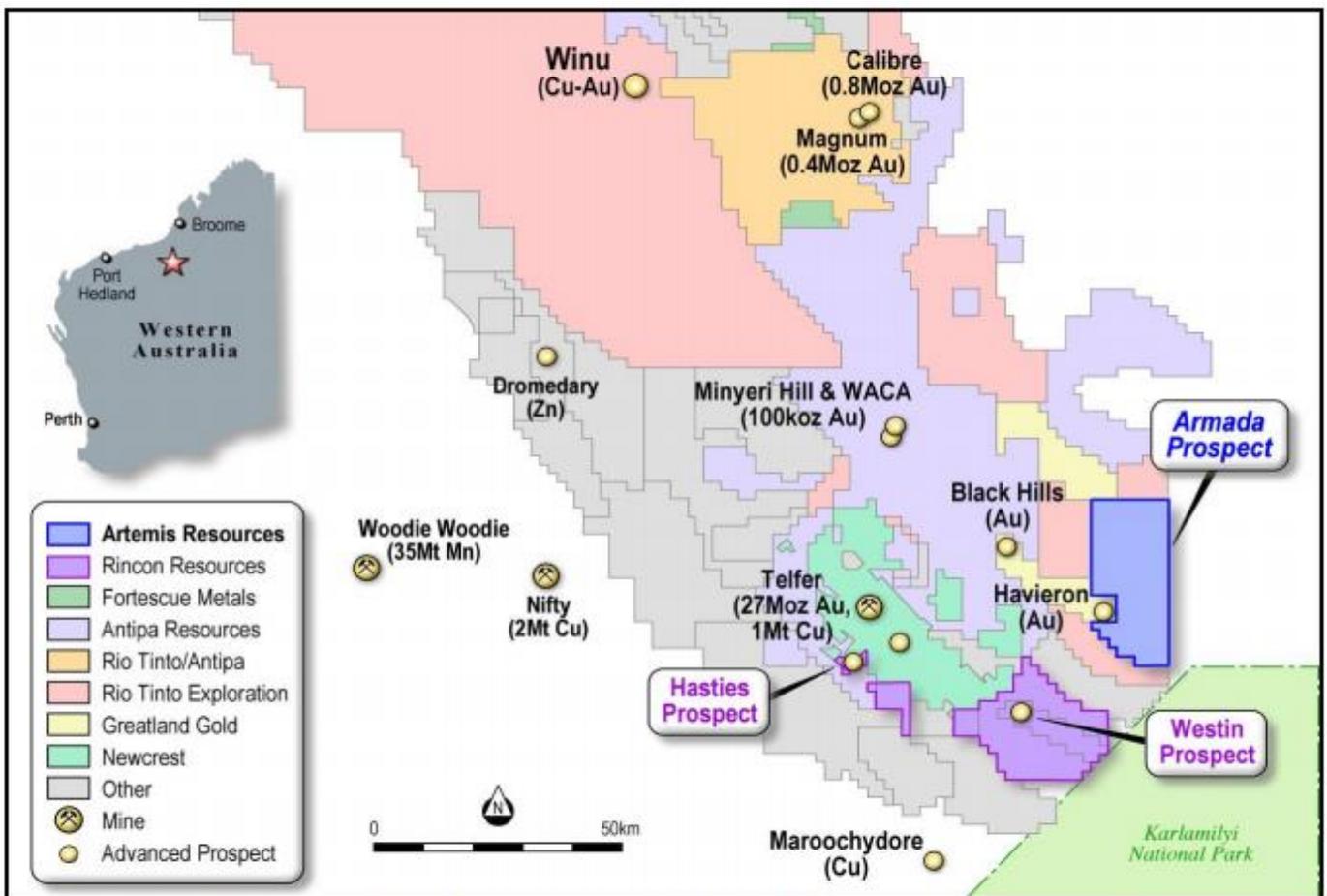


Figure 3: Artemis and Rincon projects within the highly prospective Paterson Range

DEVELOPMENT

▪ Ruth Well

During the quarter, Artemis reported an Indicated Mineral Resource at its 70% - owned Ruth Well project of 178kt @ 0.58% Ni and 0.43% Cu for 1,032 t contained Nickel and 76t contained Copper. This resource estimate was based on 37 Reverse Circulation (RC) drill holes for 2,839m and 1 (one) diamond drill hole of 84.3m.

▪ Purdy's Reward

Artemis's Joint Venture with Novo Resources continues with the budget for the 2019/20 financial year recently confirmed via the JV Committee for \$1.2m expenditure over the next 12 months.

During the quarter, the Company's JV partner Novo Resources completed a mineralisation report into Purdy's Reward which will be used to gain approvals for bulk sampling of up to 100,000 tonnes. Exploration including mapping, diamond drilling and bulk samples where appropriate, will continue to the north east of Purdy's Reward during the 2019 winter field season.

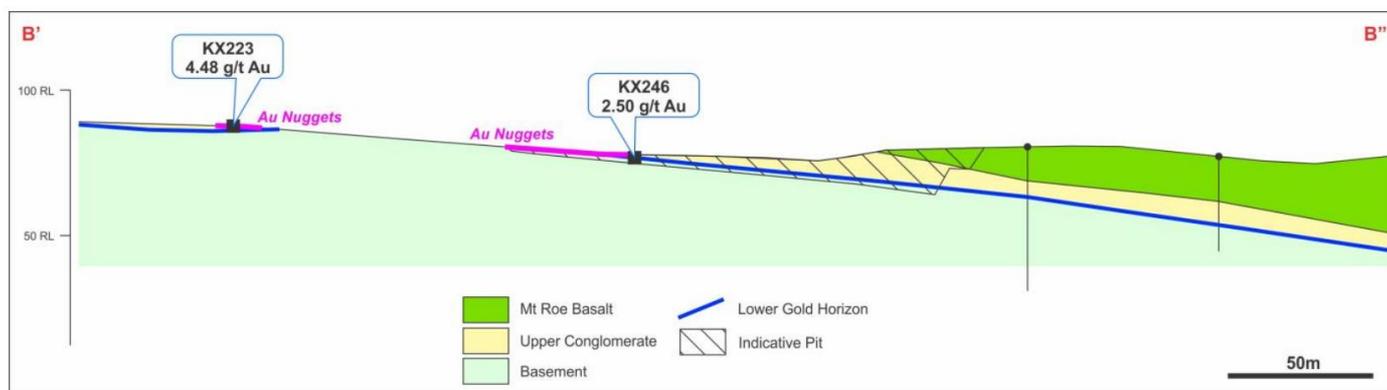


Figure 4: Example cross-section showing the bulk sample results and target gold horizon at Purdy's Reward, with an indicative pit geometry hatched.

▪ Radio Hill

The final approvals to operate Radio Hill were received during the June Quarter. The previous approvals were for use of 'geotubes' however Artemis redesigned the plant to make use of the Tailings Storage Facility #3 (TSF3). The Company has now received approvals for TSF3. The plant remains at ~80% completion as management considers the plant needs at least three years of economic ore before finalising construction and commissioning of the recently installed Gekko Gold Plant at Radio Hill. All approvals are now in place.



Figure 5: Refurbished and upgraded Radio Hill with the gravity gold circuit.

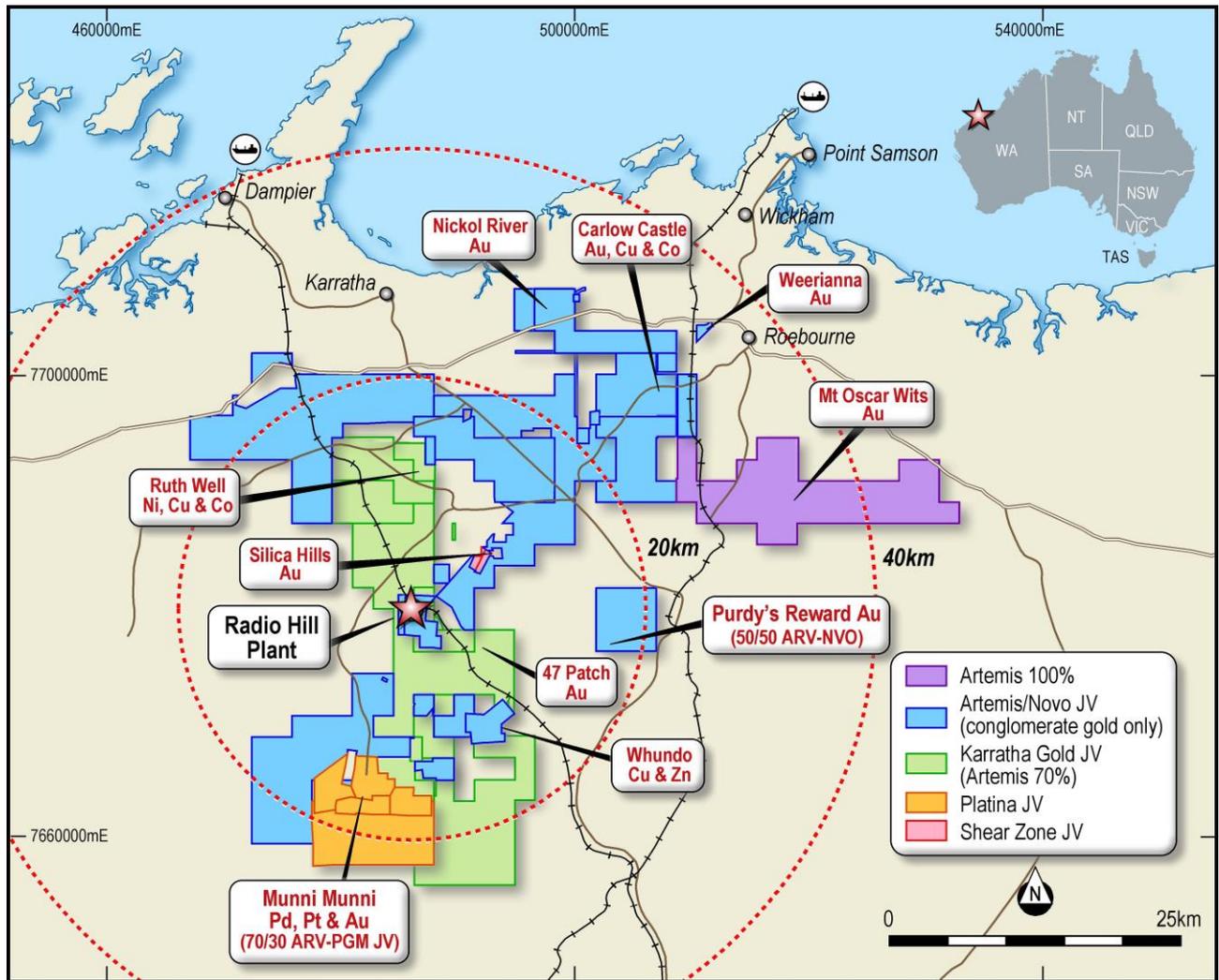


Figure 6: Artemis Resources' tenements in the West Pilbara

CORPORATE

Management Changes

Mr Ed Mead has been appointed interim CEO of the Company, following recent changes to the management structure.

Post quarter-end Artemis announced that upon completion of its acquisition of Rincon Resources Mr Zeffron (Zeff) Reeves will be appointed to the Artemis board as a Non-Executive Director. Mr Reeves is a geologist with more than 20 years' experience in the resources sector, working on projects from greenfields exploration and discovery, to resource definition and feasibility, as well as construction, production and closure. He has also held senior management positions with a number of publicly listed and private exploration and mining companies both within Australia and overseas.

Debt and Share Purchase Plan

The Convertible Note with Riverfort Global Capital Limited was restructured During the quarter extending the maturity date to 31 January 2020.

Artemis launched a Share Purchase Plan (SPP) during the period to raise \$1.5m to fund Carlow Castle development, exploration at Armada and for debt reduction. This SPP was led and underwritten by Patersons Securities Limited, with Artemis Chairman Sheikh Maktoum Hasher al Maktoum a sub-underwriter to the SPP in the amount of \$750,000. The SPP completed post quarter end with \$2.7 million being raised, before costs.

CASH POSITION

Cash balance as of 30 June 2019 was \$821,000.

LOOKING FORWARD

During the third quarter of 2019, the focus will be to:

- Review the sub-audio magnetic survey (SAM) of possible extensions at Carlow Castle West
- Complete a heritage survey over Carlow Castle West
- Commence diamond drilling at Carlow Castle to move the project towards feasibility by increasing the JORC resource classification and continuing metallurgical programs
- Converting Carlow Castle to a mining lease, after agreement with Novo Resources and the Ngarluma Aboriginal Corporation as per Native Title Agreement
- Assess Carlow Castle's geological structure and processing opportunities using thiosulphate (instead of cyanide) via bulk sampling
- Review the new tenement acquisition via Rincon Resources for tenements in the Paterson Range, Laverton and Kiwirrkurra
- Advance the Armada Project with geochemical sampling
- Debt reduction – with 30% of the SPP proceeds to reduce debt



Tenement Table – June 2019, all tenements are in Western Australia

Project	Tenement	Status	Company	Project	Tenement	Status	Company
Purdy's Reward	E47/1745 ¹	Live	KML No 2 Pty Ltd Karratha Gold Pty Ltd	Sing Well	P47/1622	Live	KML No 2 Pty Ltd
	L47/782	Pending	KML No 2 Pty Ltd		P47/1112	Live	KML No 2 Pty Ltd
Carlow Castle	E47/1797	Live	KML No 2 Pty Ltd	Nichol River	P47/1126	Live	KML No 2 Pty Ltd
Ruth Well	P47/1929	Pending	KML No 2 Pty Ltd		P47/1925	Pending	KML No 2 Pty Ltd
	E47/3719	Pending	KML No 2 Pty Ltd		E47/2716	Live	KML No 2 Pty Ltd
	E47/3487 ²	Live	Sorrento Resources Pty Ltd		M47/1527	Live	KML No 2 Pty Ltd
	E47/3341 ²	Live	Hard Rock Resources Pty Ltd		E47/3373	Pending	KML No 2 Pty Ltd
47 Patch	E47/3361 ²	Live	Hard Rock Resources Pty Ltd		M47/87	Live	D & K Corps Investments
	E47/3443 ²	Live	Elysian Resources Pty Ltd		M47/127	Live	D & K Corps Investments
Elysian / Hard Rock	E47/3564 ²	Live	Elysian Resources Pty Ltd		M47/401	Live	D & K Corps Investments
	E47/3340 ²	Live	Hard Rock Resources Pty Ltd		M47/421	Live	D & K Corps Investments
	E47/3390 ²	Live	Hard Rock Resources Pty Ltd		M47/435	Live	D & K Corps Investments
	P47/1832 ²	Live	Hard Rock Resources Pty Ltd		M47/577	Live	D & K Corps Investments
	P47/1881 ²	Live	Hard Rock Resources Pty Ltd		L47/565	Pending	D & K Corps Investments
	E47/3534 ²	Live	Jindalee Resources Pty Ltd		L47/687	Live	D & K Corps Investments
	E47/3942	Pending	KML No 2 Pty Ltd		L47/689	Live	D & K Corps Investments
	E47/3535 ²	Pending	Jindalee Resources Pty Ltd	Balmoral	E47/3707	Live	KML No 2 Pty Ltd
	P47/1833 ²	Pending	Jindalee Resources Pty Ltd		E47/3708	Live	KML No 2 Pty Ltd
Whundo	L47/820	Pending	KML No 2 Pty Ltd		E47/3709	Live	KML No 2 Pty Ltd
	L47/163	Live	Fox Radio Hill Pty Ltd	Pyramid	E47/3720	Live	KML No 2 Pty Ltd
	M47/7	Live	Fox Radio Hill Pty Ltd		E47/3721	Live	KML No 2 Pty Ltd
	M47/9	Live	Fox Radio Hill Pty Ltd		E47/3722	Live	KML No 2 Pty Ltd
Radio Hill	M47/161	Live	Fox Radio Hill Pty Ltd		E47/3723	Live	KML No 2 Pty Ltd
	M47/337	Live	Fox Radio Hill Pty Ltd	South of Roebourne	E47/4069	Pending	KML No 2 Pty Ltd
	L47/93	Live	Fox Radio Hill Pty Ltd		E47/4070	Ballot	KML No 2 Pty Ltd
Mt Oscar	E47/1217	Live	Fox Radio Hill Pty Ltd	Greater Munni Munni	E47/3545	Pending	KML No 2 Pty Ltd
Weerianna	M47/223 ³	Live	Western Metals Pty Ltd		E47/3546	Live	KML No 2 Pty Ltd
Silica Hills	M47/177 ⁴	Live	Western Metals Pty Ltd		E47/3547	Live	KML No 2 Pty Ltd
	M47/288 ⁴	Live	Western Metals Pty Ltd		E47/3612	Live	KML No 2 Pty Ltd
	M47/93 ⁵	Live	Shear Zone Mining Pty Ltd	E47/3160	Live	KML No 2 Pty Ltd	
	M47/232 ⁵	Live	Shear Zone Mining Pty Ltd	Munni Munni	E47/3322 ⁶	Live	Karratha Metals Pty Ltd
	L47/781	Pending	KML No 2 Pty Ltd		M47/123 ⁶	Live	Platina Resources Ltd
E47/1746	Live	KML No 2 Pty Ltd	M47/124 ⁶		Live	Platina Resources Ltd	
Telfer	E45/5276	Live	Armada Mining Pty Ltd		M47/125 ⁶	Live	Platina Resources Ltd
	Mt Clement				M08/191 ⁷	Live	Artemis Resources Ltd
				M08/192 ⁷	Live	Artemis Resources Ltd	
M08/193 ⁷				Live	Artemis Resources Ltd		

¹ – 50% Artemis – Joint Venture with Novo Resources

² – 70% Artemis – Karratha Gold Joint Venture

³ – 80% Artemis

⁴ – 70% Artemis

⁵ – 34% Artemis

⁶ – 70% Artemis – Joint Venture with Platina Resources

⁷ – 80% Artemis – Joint Venture with Northern Star Resources