

JUNE 2018 QUARTERLY REPORT

31 JULY 2018

ASX: ARV

ATY: FRANKFURT

Base, Battery and Precious Metals

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.

WANT TO KNOW MORE ABOUT ARTEMIS?

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Artemis Resources Limited ("Artemis" or "the Company") (ASX: ARV) is pleased to provide this update on activities for the June Quarter of ending 30 June 2018.

Wayne Bramwell, Artemis' CEO, commented:

"The Company has a very strong cash position for the first time in many years, with cash at bank at the end of June of \$27 million. Artemis remains totally focused on bringing the Radio Hill plant back into production as soon as possible, however we await the critical government approvals to complete the new gold circuit installation and additional plant upgrade works."

Excellent drilling results from our Carlow Castle, Whundo, Radio Hill and Ruth Well deposits should see growth in our base metal and battery resource inventory and we are very excited about what the remainder of this year will bring as Novo increases its exploration efforts at Purdy's Reward."

HIGHLIGHTS TO 28 July 2018

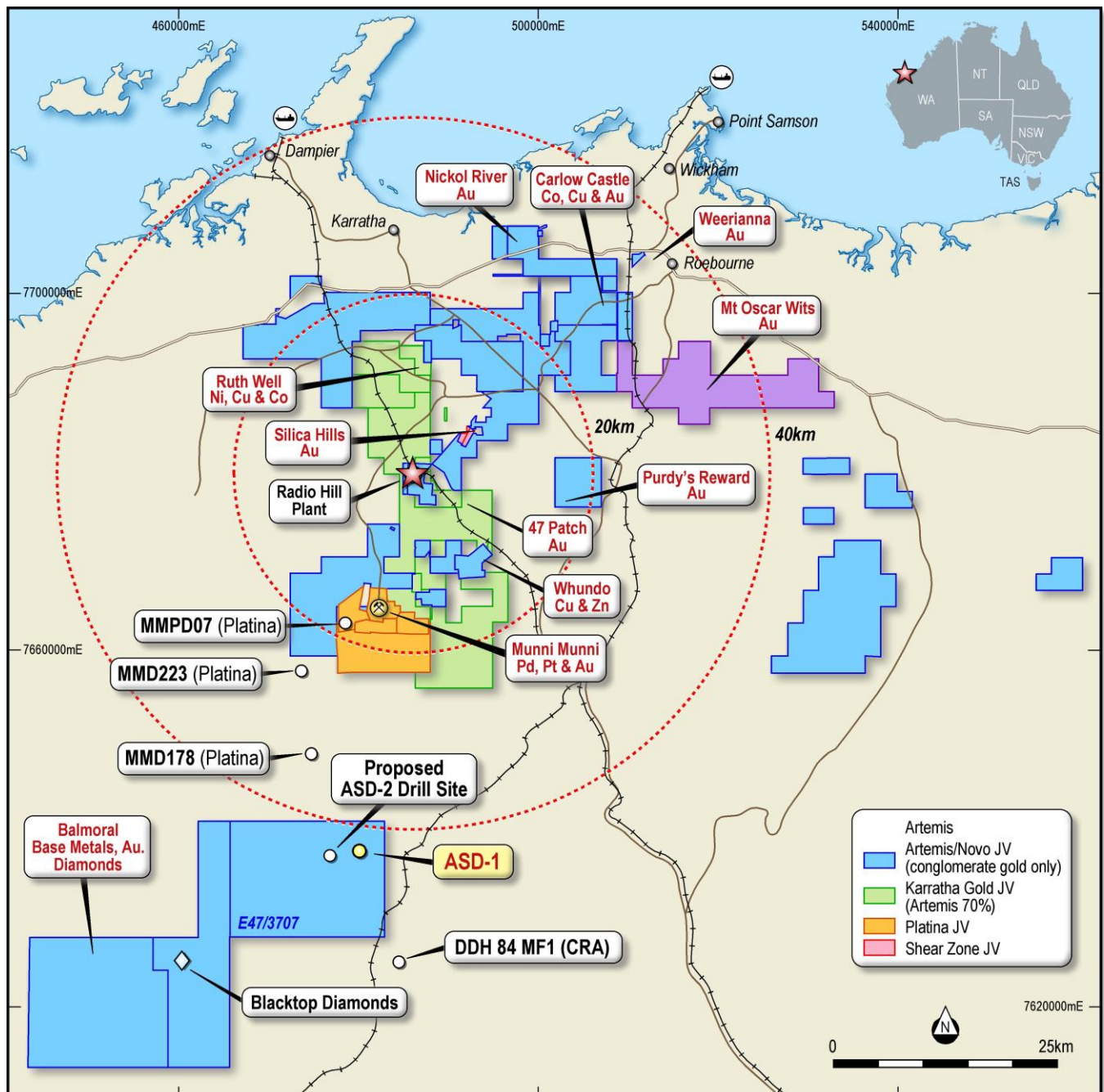
- Carlow Castle - new base metal drilling programme underway at Carlow Castle designed to significantly increase JORC 2012 Resource. Best diamond drill intersection included:
 - 6.5m @ 23.44g/t Au, 2.32% Co and 10.35% Cu from 47m (18CCAD009)
 - 13m @ 4.96g/t Au, 0.39% Co and 1.47% Cu from 62m (ARC096)
 - 26m @ 1.81g/t Au, 0.13% Co and 0.53% Cu from 39m (18CCAD007) incl: 9m @ 2.91g/t Au, 0.31% Co and 0.55% Cu from 39m
 - 20m @ 1.58g/t Au, 0.15% Co and 0.21% Cu from 7m (ARC099).
- 600 km² of Strategic Exploration Ground near Telfer acquired.
- Radio Hill Gold Circuit – first approval received.
- Artemis and Novo JV commits to \$5.4 million JV Budget
- Artemis sells 4 million Novo Resources shares for CAD \$20,000,000
- Wayne Bramwell appointed as new Chief Executive Officer
- Super Deep hole commenced and drilled to a depth of 1,348.5 metres.
- Comet Well West Conglomerate Gold Update
 - Gold now confirmed to extend from Artemis' Purdy's Reward conglomerate gold project westwards through Novo Resources Corp's Comet Well and in to Artemis' Comet Well West tenements.
- 11.15% Nickel drilled at Ruth Well – best intercepts included:
 - 13 metres @ 2.14% Ni, 1.19% Cu, 0.07% Co, 0.6 g/t Au, 0.6g/t Pd from 55m (EWRC003) incl:
 - 2m @ 8.74% Ni, 3.12% Cu, 0.26% Co, 1.58g/t Pd from 57m
 - 1m @ 11.15% Ni from 57 metres.
- High Grade Nickel at Radio Hill – best intercept included:
 - 15m @ 2.05% Ni, 1.94% Cu, 0.09% Co from 27m (ARH066) incl:
 - 3m @ 3.37% Ni, 2.05% Cu, 0.14% Co from 27m
 - 2m @ 2.53% Ni, 1.35% Cu, 0.11% Co from 32m
 - 5m @ 2.46% Ni, 2.26% Cu, 0.10% Co from 37m.
- High Grade Co-Cu-Zn at the Whundo Mine – best intercepts incl:
 - 10m at 0.39% Co from 87m (AWRC025) - Incl. 1m at 1.75% Co from 88m)
 - 6m at 6.55% Zn from 42m (AWRC022)
 - 13m at 3.18% Cu and 3.95% Zn from 48m (AWRC021)
 - 8m at 1.38% Cu from 77m (AWRC025)

OVERVIEW

The June end 2018 quarter and the period up to July 28 has been an active technical and commercially fruitful period for Artemis with advancements made across many of the company's key assets in the Pilbara (**Figure 1**). The Artemis team has delivered some significant exploration results across base and battery metal portfolio at Carlow Castle (Co-Cu-Au), Ruth Well (Ni-Cu-Co) Radio Hill (Ni-Cu-Co) and Whundo (Cu-Zn-Co).

Artemis is also working closely with the key West Australian government agencies with respect to achieving the approvals needed to install a new Gekko gold circuit at the 100% owned Radio Hill processing facility. This new circuit once installed and commissioned will give the Radio Hill facility the ability to treat gold ores with a high gravity recoverable component.

Figure 1: Artemis's Projects in the Karratha Area and Proximity to Radio Hill Process Plant



A summary of the key ASX releases follows and for full details please visit: www.artemisresources.com.au.

1.0 EXPLORATION AND DEVELOPMENT

2.32% COBALT IN SHALLOW DRILLING AT CARLOW CASTLE

The Carlow Castle Co-Cu-Au Project currently covers three deposits (Carlow Castle South, Quod Est and Carlow Castle South East) and is approximately 30km from the Radio Hill processing plant. The mineralisation is hosted in chloritic shear zones within the predominantly Archean mafic sequence. The ore zones appear partially oxidised above 20m with sulphides extending to depth, the primary sulphides are chalcopryite, cobaltite and pyrite. The presence of chalcocite in some samples indicates supergene enrichment in the upper portions of the sulphide zone.

On 31 January 2018 the company announced a JORC 2012 compliant Indicated and Inferred resource for Carlow Castle of 2.3 Mt @ 1.3 g/t Au, 0.11% Co, 0.5% Cu and 1.6 g/t Au (within a global resource of **4.5 Mt @ 0.9g/t Au, 0.07% Co, 0.4% Cu and 1.3 g/t Ag** - at a 0.05% Co cut-off grade).

On 25 July 2018 Artemis announced a drilling update for the Carlow Castle South deposit. This programme generated some very high grade cobalt intercepts with attended high copper and gold assays (**6.5m @ 23.44g/t Au, 2.32% Co and 10.35% Cu from 47m in hole 18CCAD009**).

The current drill programme is targeted at infill drilling to increase resource definition in this area.

Figure 2 depicts the drill plan for Carlow Castle South with Figures 3 and 4 representing 2 sections through the orebody.

Figure 2: Carlow Castle South Drill Plan

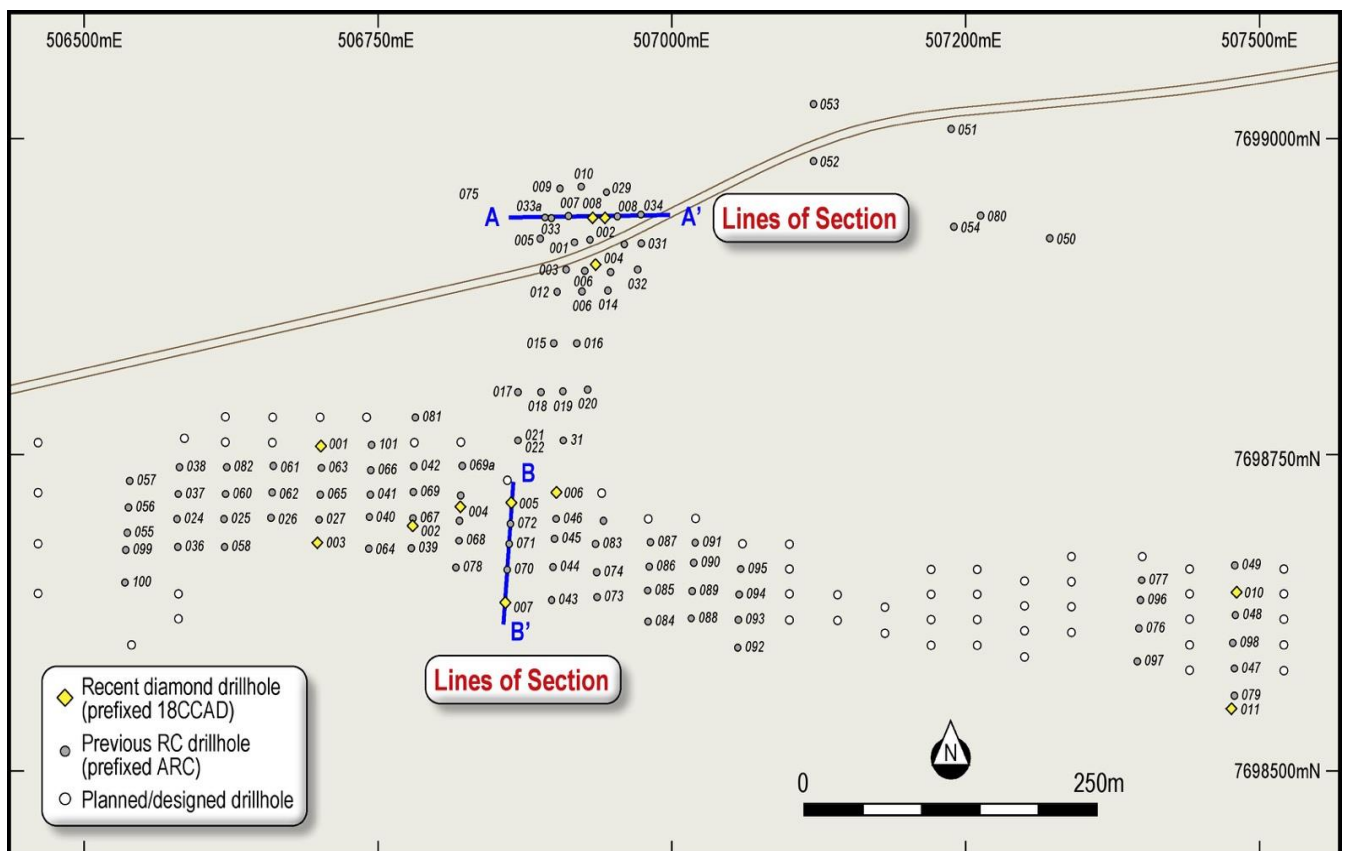


Figure 3: Carlow Castle South - Section 7698940m N
(ARC008 reported 19/01/18 -18CCAD008 is a twin of ARC008. Results are pending).

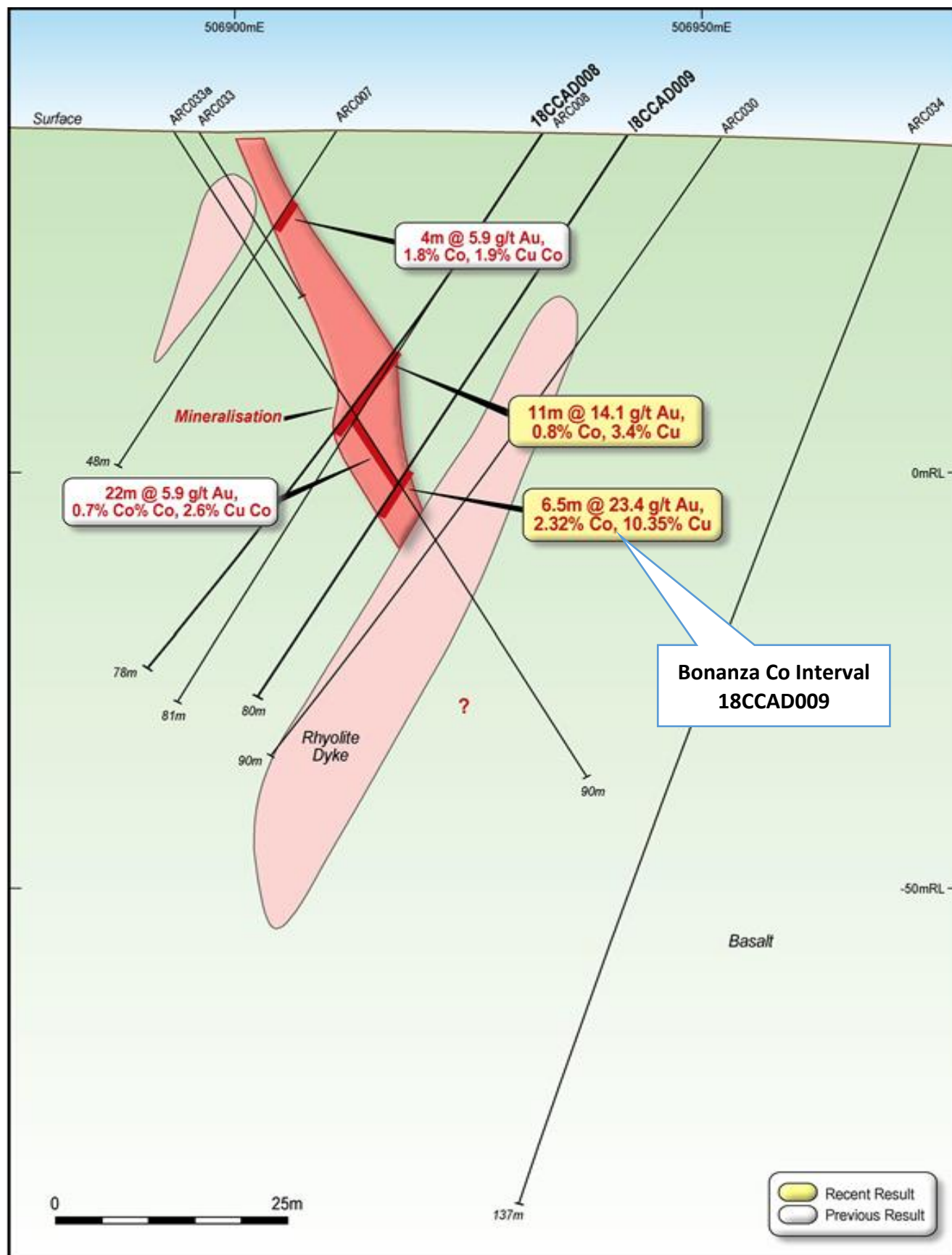
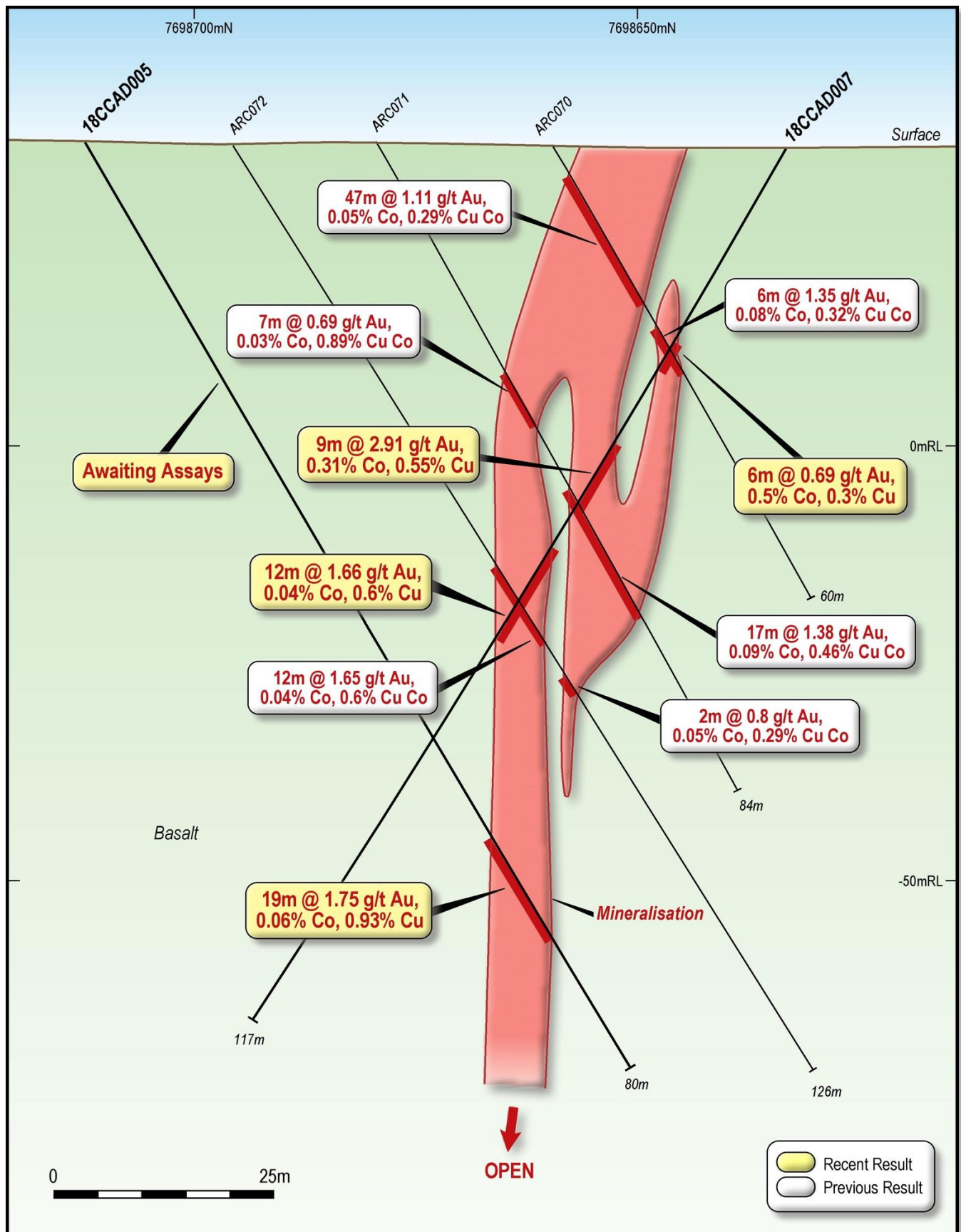


Figure 4: Carlow Castle South - Section 506860mE.



HIGH GRADE COPPER, ZINC AND COBALT DRILLING AT WHUNDO COPPER MINE

Drilling announced to the ASX on 11 April 2018 confirms high grade copper, zinc and cobalt mineralisation at Artemis's Whundo Copper Mine, which has the potential to substantially enhance resources at Whundo. Significant intercepts included:

- **10m at 0.39% Cobalt from 87m (AWRC025)**
 - (including 1m at 1.75% Cobalt from 88m)
- **6m at 6.55% Zinc from 42m (AWRC022)**
- **13m at 3.18% Copper and 3.95% Zinc from 48m (AWRC021)**
- **8m at 1.38% Copper from 77m (AWRC025)**
- **17m at 0.99% Copper from 97 metres in (AWRC025)**
- **5m at 4.24% Zinc from 18m (AWRC027)**
- **12m at 4.46% Zinc from 34m (AWRC027)**
- **12m at 7.17% Zinc from 46m (AWRC027)**
- **13m at 1.98% Copper from 50m (AWRC052)**

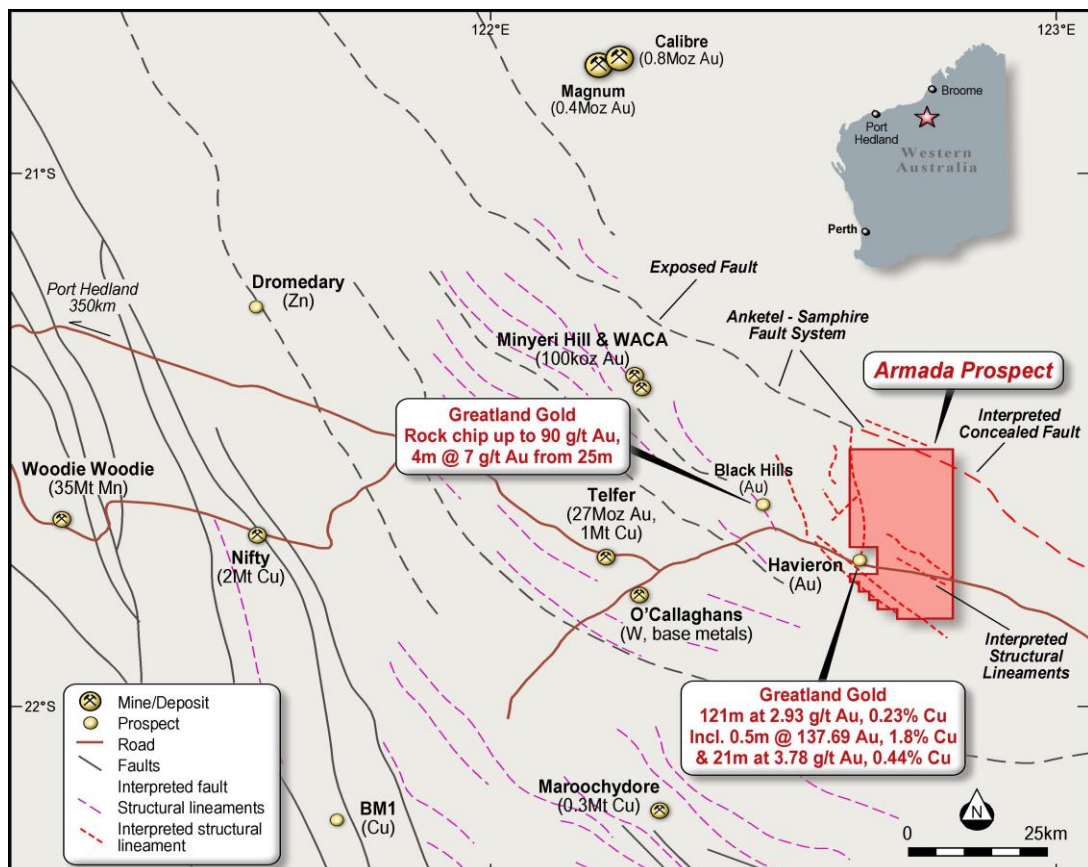
600 KM² of STRATEGIC EXPLORATION GROUND NEAR TELFER

During the quarter Artemis applied for a 600km² tenement (E45/5276) within the highly prospective Proterozoic Paterson orogen, located approximately 40km east of the Telfer Au – Cu mine in the Pilbara region of Western Australia, in the Paterson Ranges. Early stage exploration drilling reported by Greatland Gold plc (a London listed company) on 25 June and 4 July 2018 from their nearby Haverion Project, included:

- **HAD001 - 121m at 2.93g/t gold (Au) and 0.23% copper (Cu) from 497m to 618m.**
- **HAD003 - 21m at 3.78g/t gold and 0.44% copper from 418m, including 1m at 29.12g/t gold and 0.4% copper from 428.5m.**

The geological structures that host the Haverion discovery run due north into Artemis's new Armada Prospect. Artemis submitted its exploration licence application approximately 3 hours before Rio Tinto and this new application now sees the Artemis Pilbara landholdings increased to ≈ 2,400 km².

Figure 5: Prospective structural and mineralisation prospectivity for the Armada Prospect.



11.15% NICKEL DRILLED AT RUTH WELL PROJECT

During the quarter Artemis advised that it has received the first assay results from Reverse Circulation (RC) drilling at Ruth Well Nickel Copper Cobalt Project with grades up to 11.15% Ni intersected. The Ruth Well Project is on granted Exploration tenement (E47/3487) and sits within the recently identified Zac deposit project area where a +20,000 Siemen target has been identified and was announced by Artemis on 10 April 2018.

Initial 38 RC holes totalling 2,838m drilling programme was completed with significant results including:

- **13 metres @ 2.14% Ni, 1.19% Cu, 0.07% Co, 0.6 g/t Au, 0.6g/t Pd from 55m (EWRC003)**
 - Incl 2m @ 8.74% Ni, 3.12% Cu, 0.26% Co, 1.58g/t Pd from 57m
 - Incl 1m @ 11.15% Ni from 57 metres
- **21 metres @ 1.11%Ni, 0.88% Cu, 0.05% Co from 30m (EWRC002)**
 - Incl 1m @ 2.54% Ni, 0.66% Cu, 0.07% Co, 3.73g/t Au & 2.82g/t Pd from 30 metres
- **11 metres @ 0.85% Ni, 0.55% Cu, 0.05% Co from 40m (EWRC003)**
 - Incl 1m @ 1.81% Ni, 0.64% Cu, 0.08% Co from 55 metres

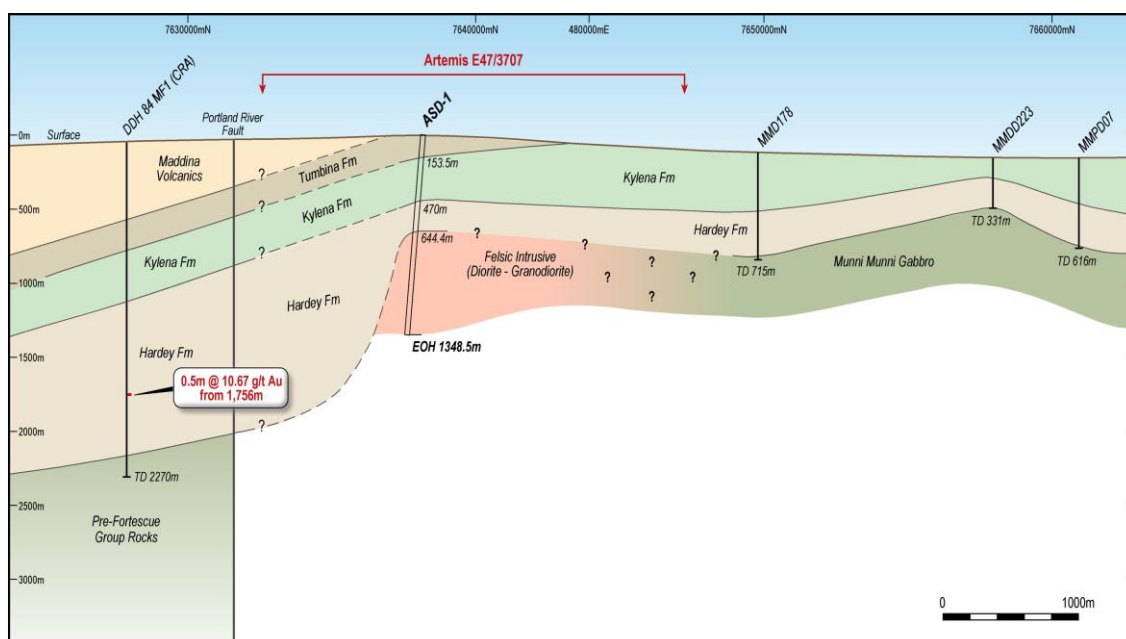
Nickel now identified over a potential 3.5km of strike on and east-west trend with further drilling to take place once Programme of Works (POW) are approved by DMIRS. The Ruth Well Project (**Figure 1**) is located 12km north of the Radio Hill Operations.

UPDATE ON SUPER-DEEP DRILLING IN WEST PILBARA

On 24 July 2018 Artemis announced an update on ASD-01 drill hole progress. As of 24 July 2018:

- ASD-1 had been drilled to a depth of 1,348.5 metres.
- The diorite-granodiorite was entered at a depth 644.4 metres continued to the end of hole. This change in geology from Hardey Formation at such a shallow depth was unexpected. Alteration minerals, bleaching and a number of quartz and pegmatitic veins have been observed.
- The interpreted basin continuously deepening to the south of the Munni Munni gabbro has been found to be incorrect (Figure 6). It is possible that the Fortescue Basin topography (when sediments were emplaced) is undulating and therefore is fertile for sites and areas where mafic gold rich conglomerates can form.
- Logging of the core continue with further analysis of the Felsic Intrusive (diorite-granodiorite) being undertaken by GSWA and CSIRO.
- A second drill hole (ASD-2) will shortly commence to further understand the geology and the nature of the contacts between sedimentary rocks and felsic intrusions or basement geology. ASD-2 is located 3.6 km to the west of ASD-1 (**Figure 1**) and will be drilled by DDH-1 Drilling Pty Ltd.

Figure 6: Schematic Interpretative Long-Section. North-South orientation of section with Munni Munni and Purdy's Reward to the north (right side of image)



ARTEMIS AND NOVO JV COMMITS TO \$5.4 MILLION JV BUDGET

Artemis, having paid \$2 million to the end of June 2018 towards the overall JV exploration programme is up to date on all Novo JV expenditure commitments. Post this JV partners have agreed to a \$5.4 million exploration and work programme budget for the year beginning 1 July 2018 (the "Period").

In the first four months of the Period the JV will focus on bulk sampling, diamond drilling and costeaning activities, primarily at Purdy's Reward. Large bulk samples will be collected and treated to provide necessary gold grade data for a mineralisation report, an important step toward converting the current exploration license to a mining lease.

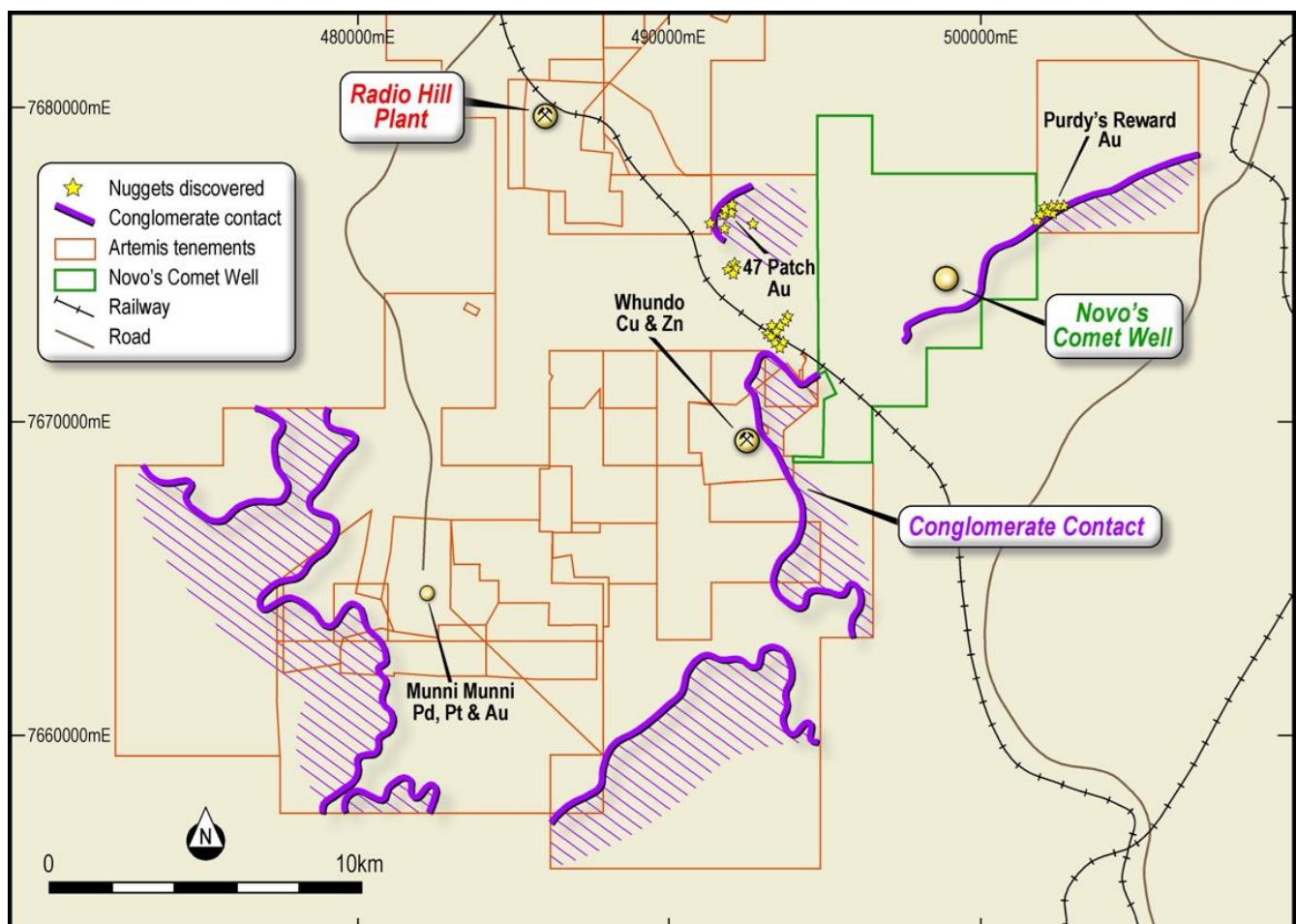
In addition, environmental and heritage studies will be undertaken in conjunction with similar work at Novo's nearby Comet Well joint venture in order to move the collective area towards trial mining.

COMET WELL WEST CONGLOMERATE GOLD UPDATE

During the quarter the Company provided an update on its Comet Well West Conglomerate Gold targets.

- Gold now confirmed to extend from Artemis' Purdy's Reward conglomerate Gold Project westwards through Novo Resource Corp's Comet Well and in to Artemis' Comet Well West tenements (Figure 7).
- Artemis has identified ~67km of conglomerate and Mt Roe Basalt contact immediately west of Novo Resource Corp's Comet Well.
- **3.6kg (115 oz)** of gold nuggets now recovered from 47K Patch.
- Fine gold also evident with gold nuggets recovered from 47K Patch.
- Programme of Works (POW) submitted to commence extensive exploration on Artemis' Comet Well West conglomerate gold targets.

Figure 7: Conglomerate contact at Purdy's Reward through to Comet Well West



HIGH GRADE NICKEL AT RADIO HILL

During the quarter drilling at the top of the Radio Hill ore body intersected shallow high-grade nickel over significant widths. The best intercepts included:

- 15m @ 2.05% Ni, 1.94% Cu, 0.09% Co from 27m (ARH066)
 - Incl. 3m @ 3.37% Ni, 2.05% Cu, 0.14% Co from 27m
 - Incl. 2m @ 2.53% Ni, 1.35% Cu, 0.11% Co from 32m
 - Incl. 5m @ 2.46% Ni, 2.26% Cu, 0.10% Co from 37m
- 7m @ 1.9% Ni, 1.07% Cu, 0.08% Co from 18m (ARH015)
- 8m @ 1.14% Ni, 0.96% Cu, 0.06% Co from 75m (ARH007)
- 3m @ 1.35% Ni, 1.27% Cu, 0.07% Co from 88m (ARH046)
- 3m @ 1.24% Ni, 2.42% Cu, 0.07% Co from 123m (ARH019)
- 2m @ 2.93% Ni, 2.90% Cu, 0.12% Co from 19m (ARH020)
- 25m @ 0.71% Ni, 0.89% Cu, 0.03% Co from 50m (ARH004)
- 19m @ 0.57% Ni, 0.99% Cu, 0.02% Co from 26 m (ARH062).

CORPORATE

ARTEMIS SIGNS NOVO SHARE SALE DEAL TO BANK \$20 MILLION

During the quarter Artemis sold its 4 million Novo Resources Corp. ("Novo") shares to Canadian mining company, Kirkland Lake Gold Ltd (ASX: KLA, TSE: KL) ("Kirkland Lake Gold"), for total gross proceeds of A\$20.7 million, being the Australian dollar (AUD) equivalent of Canadian dollars (CAD) \$5.00 per Novo share (using an exchange rate of 1 CAD = 1.04 AUD).

The share sale transaction was arranged on an unsolicited basis. As a condition to completion, Novo released Artemis from the contractual 12 month hold period for these shares, which was originally due to expire in August this year. The transaction was closed at the end of May.

CEO APPOINTMENT

Mr Wayne Bramwell was appointed Chief Executive Officer on 19 June 2018.

Mr Bramwell is an experienced metallurgist and mining executive with over 26 years of international and Australian project development expertise across the base metals, precious metals and bulk commodity sectors. He has extensive experience dealing with international financial institutions and brings to the Company his negotiating skills with international off-take partners and trading houses, having previously negotiated two project level strategic joint ventures with Japan's Toyota Tsusho Corporation and Nittetsu Mining Co. Ltd.

Mr Bramwell holds a Bachelor of Science (Mineral Science - Extractive Metallurgy), Graduate Diploma of Business, Master of Science (Mineral Economics) and is a Graduate of the Australian Institute of Company Directors (GAICD).

CASH

Cash balance as at 30 June 2018 is **\$27 million**.

LOOKING FORWARD

During the upcoming September 2018 Quarter, Artemis is focussed upon:

- Obtaining the outstanding approvals from the Department of Mines, Industry Regulation and Safety (DMIRS) and the Department of Water and Environmental Regulation (DWER) to begin the installation of the Gekko gold circuit. All key processing equipment is on site such that, once the two outstanding approvals are received, installation then commissioning can commence.
- Extensional and infill drilling across the Carlow Castle Co-Cu-Au Project.
- Completion of ASD-2 hole at the Balmoral Prospect.
- Resource update for the Whundo Cu Project.
- Updating the market on the company's JV activities across its broader tenement package.

COMPANY CONTACT INFORMATION

For further information on this update or the Company generally, please visit our website at www.artemisresources.com.au or contact:

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BACKGROUND INFORMATION ON ARTEMIS RESOURCES

Artemis Resources Limited is an exploration and development company focussed on its large ($\approx 2,400$ km²) and prospective base, battery and gold assets in the Pilbara region of Western Australia. Artemis owns 100% of the 500,000 tpa Radio Hill processing plant and infrastructure, located approximately 35 km south of the city of Karratha. The company is evaluating 2004 and 2012 JORC Code compliant resources of gold, nickel, copper-cobalt, PGEs and zinc, all situated within a 40 km radius of the Radio Hill plant.

Artemis have signed Definitive Agreements with Novo Resources Corp. (“Novo”), which is listed on Canada’s TSX Venture Exchange (TSXV:NVO), and pursuant to the Definitive Agreements, Novo has satisfied its expenditure commitment, and earned 50% of gold (and other minerals necessarily mined with gold) in conglomerate and/or paleoplacer style mineralization in Artemis’ tenements within 100km radius of the City of Karratha, including at Purdy’s Reward (“the Gold Rights”). The Gold Rights do not include:

- (i) gold disclosed in Artemis’ existing (at 18 May 2017) JORC Code Compliant Resources and Reserves or
- (ii) gold which is not within conglomerate and/or paleoplacer style mineralization or
- (iii) minerals other than gold.

Artemis’ Mt Oscar tenement is excluded from the Definitive Agreements. The Definitive Agreements cover 38 tenements / tenement applications that are 100% owned by Artemis. Pursuant to Novo’s successful earn-in, three 50:50 joint ventures have been formed between Novo’s subsidiary, Karratha Gold Pty Ltd (“Karratha Gold”) and three subsidiaries of Artemis (KML No 2 Pty Ltd, Fox Radio Hill Pty Ltd, and Armada Mining Pty Ltd). The joint ventures are managed as one by Karratha Gold with Artemis and Novo contributing to further exploration and any mining of the Gold Rights on a 50:50 basis.

FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE

This report contains forecasts, projections and forward-looking information. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions it can give no assurance that these will be achieved. Expectations, estimates and projections and information provided by the Company 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 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 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. Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company’s securities.

COMPETENT PERSONS STATEMENT:

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 Doraleta 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.

TENEMENT SCHEDULE – All tenements are in Western Australia		
E47/1745	E47/3942 (a)	Munni Munni⁶
E47/1746	P47/1112	M47/123
E47/1797	P47/1126	M47/124
E47/2716	P47/1127	M47/125
E47/3160	P47/1134	M47/126
E47/3322	M47/1527	
E47/3340 ⁷	P47/1519 / M47/1568(a)	Mt Clement
E47/3341 ⁷	P47/1619	M08/191 ¹
E47/3361 ⁷	P47/1621	M08/192 ¹
E47/3373 (a)	P47/1622	M08/193 ¹
E47/3390 ⁷	P47/1819	
E47/3443 ⁷	P47/1832 ⁷	Fox Radio Hill Pty Ltd
E47/3487 ⁷	P47/1833 (a) ⁷	L47/93
E47/3534 ⁷	P47/1881 (a) ⁷	L47/163
E47/3535 (a) ⁷	P47/1897 (a)	M47/7
E47/3545 (a)	L47/781 (a)	M47/9
E47/3546	L47/782 (a)	M47/161
E47/3547	L47/820 (a)	M47/337
E47/3564 ⁷	M47/177 ²	
E47/3612	M47/223 ³	Shear Zone Mining Pty Ltd
E47/3707	M47/288 ²	M47/93 ⁴
E47/3708		M47/232 ⁴
E47/3709	East Pilbara	
E47/3719 (a)	E45/4779 ⁵	Mt OscarWits
E47/3720	E45/4732 ⁵	E47/1217
E47/3721	E45/5276	
E47/3722		
E47/3723		

(a) Tenement applications.

¹ 80% Artemis - Gold joint venture with Northern Star Resources (20%).

² 70% Artemis.

³ 80% Artemis.

⁴ 34% Artemis.

⁵ Option to acquire up to 80% by Artemis, remainder is held by Macarthur Minerals Limited.

⁶ 0% Artemis. Heads of Agreement to earn 70% and form joint venture with Platina Resources.

⁷ 70% Artemis – Karratha Gold Joint Venture