ASX Announcement
16 November 2016

Purdy's Reward Gold Discovery – Karratha

Highlights

- ✓ **Visible gold and nuggets exposed in mafic rocks, at Purdy's Reward Project 35 km south-south east of Karratha.**
- ✓ **Surface gold identified over a potential 800 metre strike.**
- ✓ **Gearing up of exploration activities.**

Artemis Resources Limited (ASX: ARV) is pleased to announce that recent exploration activities have confirmed the presence of primary gold mineralisation (Figures 1 and 2), with significant free gold, in mafic rocks 35 km SSE of Karratha ("Purdy's Reward Project").

The primary gold mineralisation was recently discovered by local prospectors in the belief that, because the gold was flat and rounded, it was elluvial in nature. The visible gold actually sits within weathered mafic rock and requires significant handpick, crow bar and sledge hammer work to liberate. Free gold has been now found over a strike length of 800 metres with widths up to 100 metres within the project area (Figures 3, 4 and 5).

The geology of the project is characterised by Archean felsic and mafic rocks. The only previous exploration work in the area was back in 1971 by Westfield Minerals NL and this exploration programme focused only on base metals exploration with 6 percussion drillholes on the western tenement boundary. These holes were assayed for nickel with assays returning up to 1260ppm Ni in drillhole 69-SP-07 (Table 1, Figure 5) associated with a chloritised mafic basalt.

All gold mineralisation observed and found to date in the West Pilbara has been associated with quartz reefs. This new style of gold mineralisation within mafic hosted rocks increases the potential size of mineralised horizons.

Ed Mead, Artemis's CEO, commented: *"The initial work from Purdy's Reward increases our confidence in this under explored gold region of Western Australia. Off the back of recent results from Silica Hills, the best indication of gold is visual gold at surface, and we certainly seem to be getting that".*

Next Steps:

- Drilling programme is being designed and regulatory approvals to be submitted.
- A heritage survey with Ngarluma Aboriginal Corporation is being designed.
- Geochemical programme to be designed.

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- General field reconnaissance to continue, with mapping of prospective units.
- Geophysical survey techniques are being considered.

Exploration results from the above work will be reported as they come to hand. Artemis will continue to work through the summer period to advance new gold discoveries at Silica Hills and Purdy's Reward.

Figure 1. Artemis, Purdy's Reward Project - Karratha. Gold nuggets, flat and rounded and up to 13 grams from surface detecting.

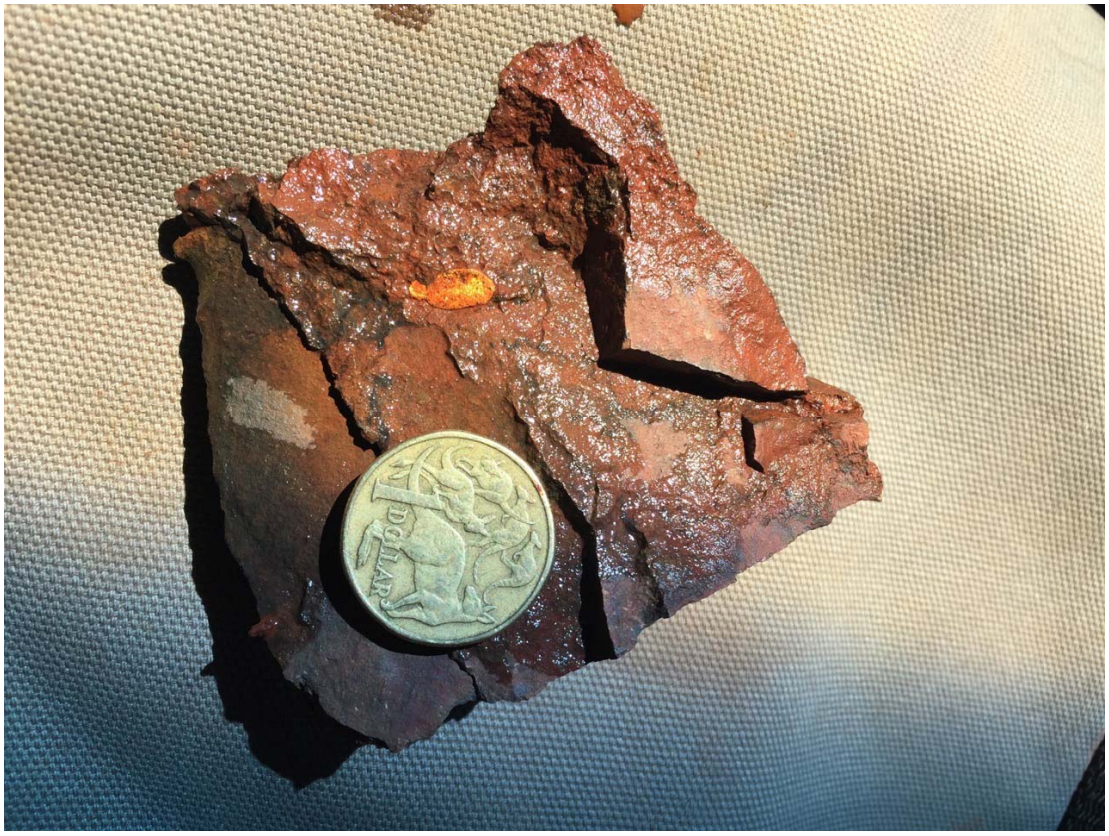


Figure 2. Artemis, Purdy's Reward Project – Karratha. Karratha. Gold nugget within fine grained weathered mafic rock.

Figure 3: Artemis, Purdy's Reward Project – Karratha. Gold location for Figure 2, slightly weathered fine grained mafic rocks.

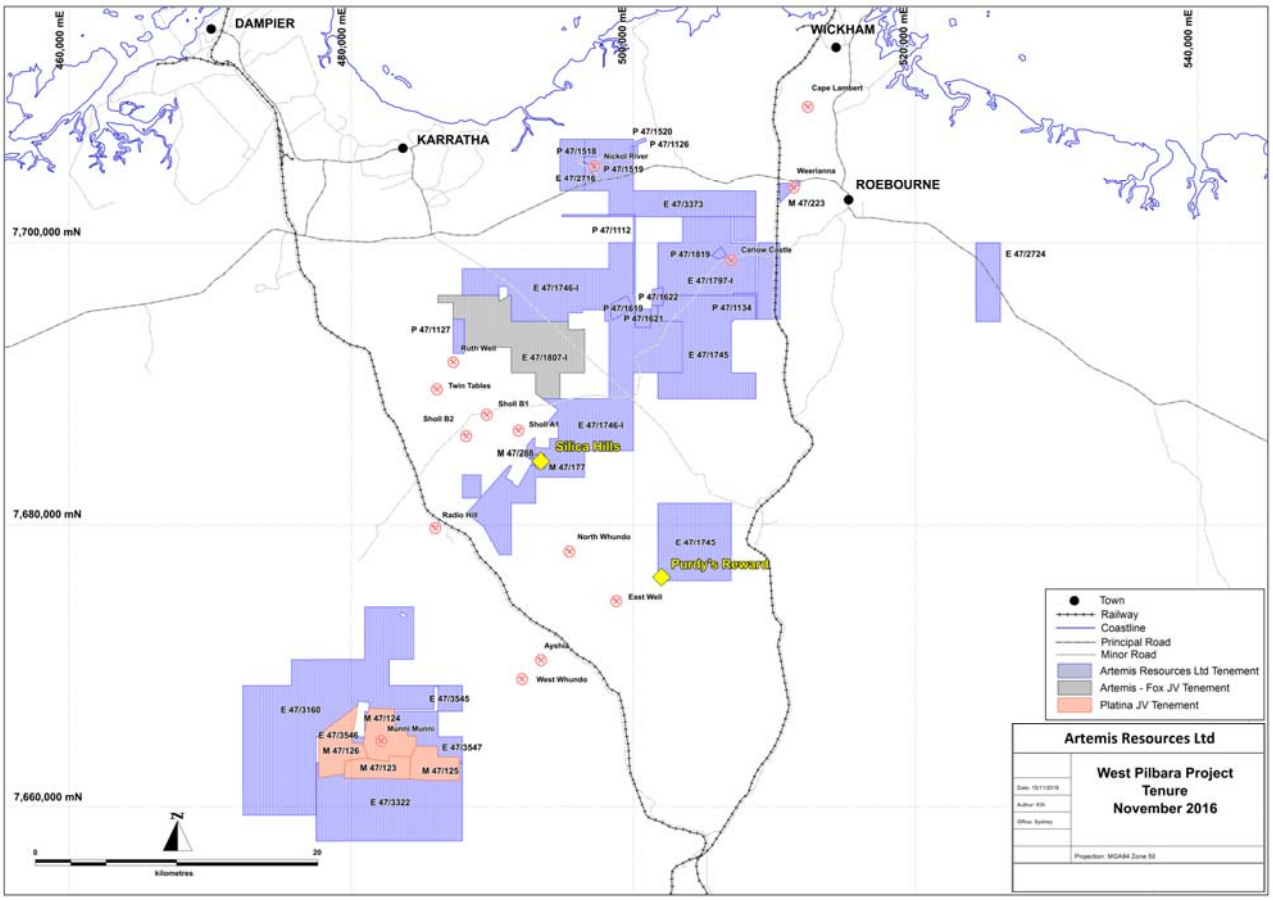


Figure 4: West Pilbara Project Locations and Tenure

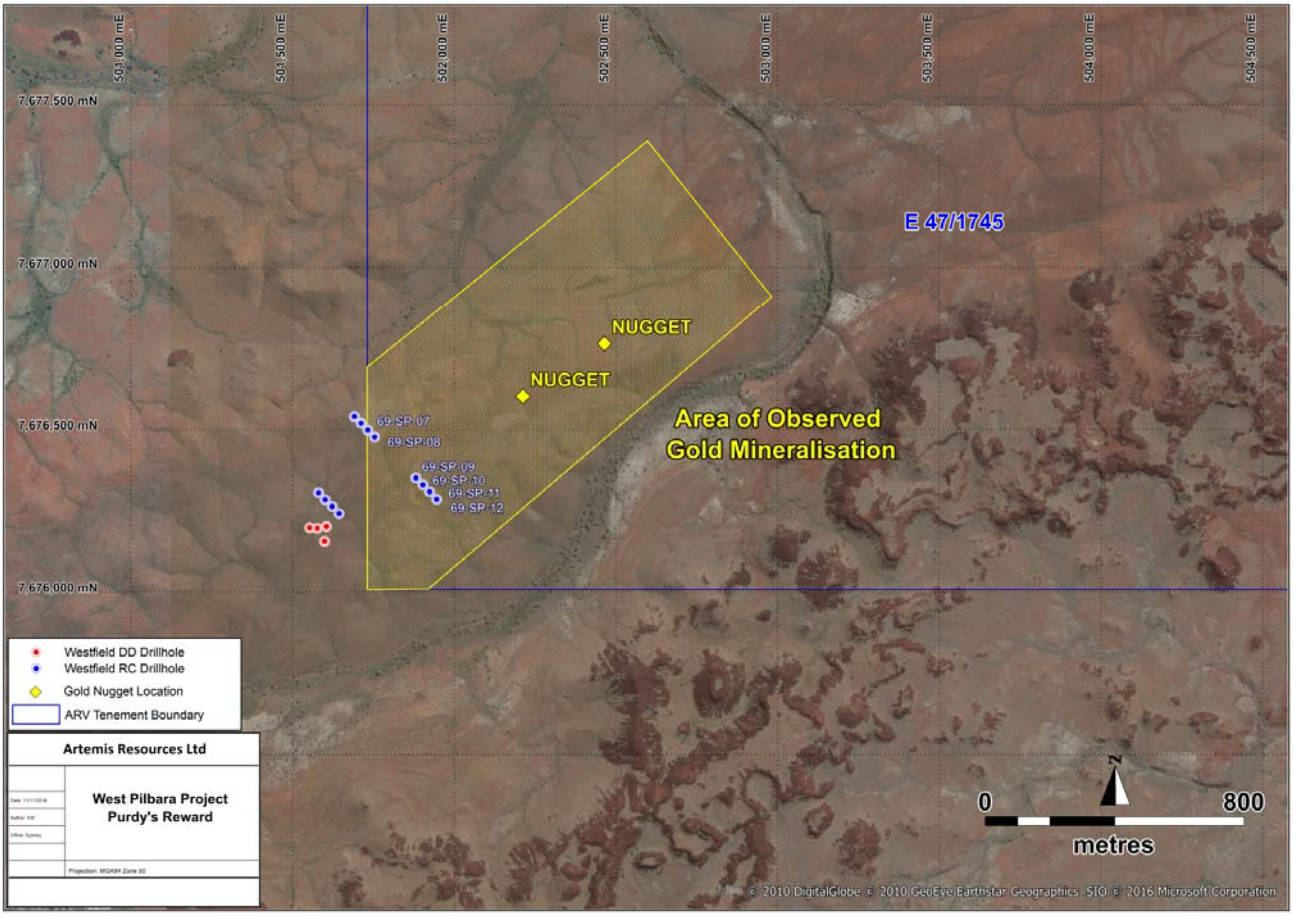


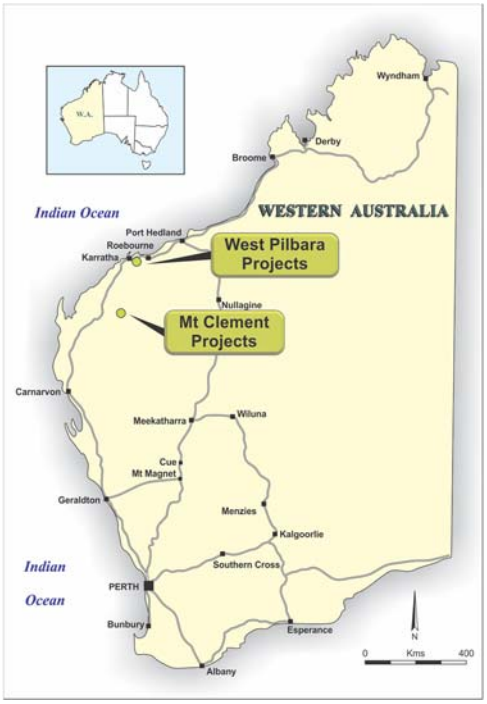
Figure 5: Purdy's Reward Gold Mineralisation & Historic Drillholes

Table 1: Westfield Minerals NL Drillholes within E47/1745

Hole_ID	Easting (MGA94)	Northing (MGA94)	Dip	Azimuth	Total Depth (m)	Max Ni (ppm)
69-SP-07	501732	7676499	-90	360	9.14	1260
69-SP-08	501754	7676478	-90	360	21.34	No Assay
69-SP-09	501881	7676352	-90	360	30.48	No Assay
69-SP-10	501903	7676331	-90	360	36.58	No Assay
69-SP-11	501924	7676309	-90	360	30.48	1200
69-SP-12	501945	7676286	-90	360	27.43	No Assay

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.



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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 Doraleda 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	• *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.*	• A manual rock chip sampling technique testing specific geological targets was used to obtain visible gold from identified mineralised rock units. • No laboratory analysis has been completed to date on samples collected by Artemis. • Sampling techniques utilised by Westfield Minerals NL during drilling are unknown, with only limited information on the completed drilling provided in the reports identified to date.
Drilling techniques	• *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).*	• Westfield Minerals NL completed both reverse circulation and diamond drillholes. The drillholes relevant to this announcement are reverse circulation drillholes only.
Drill sample recovery	• *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.*	• No details on sample recovery or detailed geological logging is available within the historic Westfield Minerals NL reports identified to date.
Logging	• *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.*	• 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. • No information regarding logging procedures used by Westfield Minerals NL during drilling are provided in historic exploration reports identified to date.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *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.*	• The random sampling of the target rock units is considered representative of the mineralisation contained within the identified zones. • No details regarding sampling or QA/QC practices implemented by Westfield Minerals NL are available in the historic exploration reports identified to date.
Quality of assay data and laboratory tests	• *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.*	• To date no laboratory analysis of samples collected by Artemis has been completed. • Assay methods used by Westfield Minerals NL for drill samples are unknown, and have not been identified in the historic exploration reports available. • No information on QA/QC procedures is provided in the historic Westfield Minerals NL reports. • Assay information has been taken from drill sections provided within Westfield Minerals historic exploration reports. No laboratory certificates have been identified to date.
Verification of sampling and assaying	• *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.*	• Significant intersections are verified by at least two Artemis personnel. • Data compilation and verification of historic exploration data is ongoing.
Location of data points	• *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.*	• A Garmin GPSMap62 hand-held GPS is used to define the location of the 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) • Topographic control is currently also obtained through the Garmin GPSMap62. This is considered accurate to within 10m.

Criteria	JORC Code explanation	Commentary
		• Westfield Minerals NL drillholes were located through the registration of historic Westfield plans available through WAMEX using Mapinfo Discover, with units converted from feet to metres. • A small number of historic drillhole collars were located during field reconnaissance with the locations collected using a GarminGPSMap62. These locations were then used to ground truth the registration of the drillholes. • Dip, azimuth, total depth, and assay results relating to these drillholes has been collated from the Westfield 1971 annual mineral exploration report available through WAMEX.
Data spacing and distribution	• *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.*	• Rock chip sampling has been completed on specific geological targets during field reconnaissance activities. • Data from the samples collected will not be used in resource and reserve estimations. Sampling is targeted on specific geological targets to better define gold distribution. • No sample compositing is used in this report. • Historic exploration data compiled from historic Westfield Minerals exploration reports is currently of an insufficient quality and density to allow Mineral Resource estimation to be completed.
Orientation of data in relation to geological structure	• *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.*	• Most rock chip samples have been obtained whilst conducting reconnaissance geological mapping which was seeking to identify mineralised structures/lodes. • As the sampling completed by Artemis was targeting specific lithologies, to understand the distribution of gold within different rock types and alteration types, there is inherent bias in these samples. • Limited information is available regarding the geometry of mineralised zones targeted by Westfield Mineral NL, however the drilling appears to have been completed in drill lines perpendicular to the strike of the target units, and as such is considered adequate.
Sample security	• *The measures taken to ensure sample security.*	• Not applicable.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audit of sample data has been completed to date.

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	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures,*	• E47/1745 – 100% held by Armada Mining Pty Ltd, a 100% owned subsidiary of Artemis Resources Ltd.

Criteria	JORC Code explanation	Commentary
land tenure status	*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.*	• The tenement is currently subject to an application for forfeiture (plaint) action for under expenditure. .
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The most significant historic exploration identified to date relevant to the area 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 Westfield Minerals are considered to have been appropriate given the available techniques at the time.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Gold mineralisation has been identified as being associated with mafic lithologies within E47/1745. • AS exploration is at an early stage, further work is required to determine the geological setting and provenance of the gold mineralization.. • Mineralisation occurs as coarse, flat, and rounded nuggety gold within mafic lithologies. • The mapping that is the subject of this report has confirmed coarse gold mineralisation over an 800m strike length.
Drill hole Information	• *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *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.*	• Historic drillhole collar information is provided within the body of this announcement, relating to the 6 percussion drillholes completed on the western tenement boundary. • These drillholes were located through the registration of historic Westfield plans available through WAMEX using Mapinfo Discover, with units converted from feet to metres. • A small number of historic drillhole collars were located during field reconnaissance with the locations collected using a GarminGPSMap62. These locations were then used to ground truth the registration of the drillholes. • Dip, azimuth, total depth, and assay results relating to these drillholes has been collated from the Westfield 1971 annual mineral exploration report available through WAMEX and is considered to be accurate.
Data aggregation methods	• *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.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths*	• No upper or lower cut-off grade was applied. • No metal equivalents are used for reporting.

Criteria	JORC Code explanation	Commentary
	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. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• The geometry of mineralisation intersected by Westfield is not accurately defined, and as such any intervals reported are to be considered down hole lengths, and not true widths.
Diagrams	• *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.*	• Appropriate maps are available in the body of this announcement.
Balanced reporting	• *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.*	• Reporting of results in this report is considered balanced.
Other substantive exploration data	• *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.*	• No other significant exploration work has been completed by Artemis to date.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions, depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Artemis plans to advance exploration at Purdy's Reward through a geochemical sampling programme, mapping, geophysical surveying, and drilling.