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ASX Code: ARV



Purdy's Reward Exploration Update -Karratha, Western Australia-

Highlights:

- **Novo Resources Corp. ("Novo") formally appointed exploration manager at Purdy's Reward.**
- **Hard rock trenching machines to start in 3 weeks, under an approved programme of work ("POW") and within heritage cleared areas.**
- **POW for diamond core drilling at Purdy's Reward submitted. Drilling to target along the gold bearing near surface expression of the conglomerate. Drilling also to target down dip where the conglomerate is open in all directions. Approvals are awaited and heritage clearances requested.**
- **POW's for large diameter Reverse Circulation (RC) drilling at Purdy's Reward have been approved. Heritage clearances have been requested.**
- **Before large diameter RC drilling is undertaken, diamond core holes as discussed above will be used to refine exploration.**

David Lenigas, Artemis's Executive Chairman, commented;

"We are looking forward to exploration activities at Purdy's Reward escalating towards significant sub surface investigation. The results of the initial trenching and diamond core programmes will shape exploration for the future and help refine the best way to deal with such a coarse gold project. The work will also help refine the geological setting."

Artemis Resources Limited ("Artemis" or "the Company") (ASX: ARV) is pleased to announce that Novo Resources Corp. ("Novo") has now formally been appointed exploration manager for Purdy's Reward and that significant ground disturbing activities are due to start at Purdy's Reward (Figure 1), located south of Karratha in the West Pilbara, Western Australia.

Novo advise that exploration activities are due to start in 3 weeks, with a rock trenching machine, that will cut a 2 to 3 metre deep trench through the conglomerate unit to better define the gold bearing unit and allow sampling and mapping.

Diamond drilling will be undertaken along the prospective gold bearing units near surface and also down dip where the gold mineralisation remains open in all directions. Once all the above work has been completed large diameter RC will be completed.

A Programme of Work (POW) has been submitted to the Department of Mines, Industry, Regulation and Safety (DMIRS). To complete all the above work and Heritage clearances have been requested from Ngarluma Aboriginal Corporation for areas outside current heritage cleared areas.

For more detail please refer to the below Novo Resources Corp New Release as released by Novo on 31 August 2017:

Novo Resources Announces Exploration Plans for Karratha

VANCOUVER, B.C., Aug. 31, 2017 (GLOBE NEWSWIRE) -- **Novo Resources Corp.** ("**Novo**" or the "**Company**") (TSX-V:NVO) (OTCQX:NSRPF) is pleased to announce exploration plans for its Karratha gold project located in the Pilbara region of Western Australia.

"With completion of property acquisitions now out of the way, Novo is eager to begin exploring at Karratha," commented Dr. Quinton Hennigh, President, Chairman, and a director of Novo Resources Corp. "In a very short time, we have developed a carefully crafted analytical protocol to deal with coarse gold, secured a contract for large diameter reverse circulation drilling, and filed critical exploration permits. We are currently developing plans to test hard rock trenchers as a means of opening up trenches for bulk sampling. Lots of preparation is underway. Trenching and drilling will commence at the Purdy's Reward prospect where the exploration license has been granted and some exploration activities have already been permitted. Exploration activities will extend to the adjoining Comet Well project and Novo's wholly-owned ground once those tenements are granted and exploration permits are approved. Karratha is a very exciting gold discovery, and Novo is ready to meet the challenge of exploring it."

Karratha Gold Project

Gold mineralization at Karratha is hosted by a sequence of conglomerate beds, fossil gravel horizons, ranging from a few metres to approximately 20 metres thick comprising the base of a much thicker package of sedimentary and volcanic rocks called the Fortescue Group. Rocks of the Fortescue Group were deposited between 2.78 and 2.63 years ago upon 3.0-3.7 billion year old igneous and metamorphic rocks that make up the Pilbara craton, an ancient piece of Earth's crust.

Over the past year, local metal detectorists have excavated gold nuggets originating from weathered conglomerate along an eight-kilometre, southwest-trending corridor between the Purdy's Reward prospect (please refer to the Company's news releases dated May 26 and August 15, 2017) and Comet Well (please refer to the Company's news releases dated April 11, June 26 and August 3, 2017). These gold-bearing conglomerates dip gently southeastward under cover at angles of between 2 and 20 degrees. The Company secured 100% control over approximately 7,000 sq km in areas along strike and down dip from Purdy's Reward and Comet Well through aggressive staking earlier this year. Novo believes that these gold-bearing conglomerates may underlie significant areas within the greater Fortescue basin.

In the Company's news release dated July 12, 2017, Novo discussed discovery of gold nuggets in a bulk sample collected from a trench at the Purdy's Reward prospect. Metallurgical test work conducted on this sample was discussed in the Company's news release issued August 8, 2017. The weighted average grade of two splits of this bulk sample was 67.08 gpt Au. Approximately 82% of the gold in this sample was determined to be coarse, mainly nuggets displaying several interesting characteristics. These are commonly flattened with rounded edges giving them an appearance similar to watermelon seeds. Most are coarse, +2 mm and are not attached to quartz or other minerals. Gold is of high purity, +96%, much higher than the gold content of nuggets derived from basement-hosted lode gold deposits from the Pilbara region that commonly display purities of 70-90%. Nuggets display crenulated surfaces thought derived from burial and compaction within a sandy matrix.

In addition to coarse gold, this metallurgical test confirmed a significant fine-grained gold component is present in these conglomerates. Such fine gold, if it is indeed disseminated throughout the conglomerates, could prove important to help evaluate grade and continuity of this deposit.

Exploration Plans at Karratha

Due to the high profile of this unconventional yet exciting gold project, Novo plans to routinely provide detailed information to the market about exploration planning, implementation, results and interpretation.

Assaying Methodology

Novo has recently worked with Nagrom Metallurgical Laboratory, Perth ("Nagrom") to develop a system to analyze bulk samples from future exploration at Karratha. Nagrom recently installed a Steinert sorting machine equivalent to that used for the bulk sample test work discussed above, in preparation for testing Novo's samples. Bulk sample processing and analysis will be as follows:

- *Bulk samples derived from trenches and large diameter reverse circulation ("RC") drilling will be crushed to - 60 mm (P100) and dry screened at 10 mm and 2 mm.*
- *The +10 mm and 2-10 mm fractions will be fed through the Steinert XSS T sorting machine to generate a concentrate of rock particles containing coarse gold ("sorted concentrate") and tailings ("sorted tailings").*

tailings”). The sorted concentrate will be crushed to -2mm (P100) and subjected to intense CN leaching and analysis. Tailings from intense CN leaching will be subjected to metallic screen fire assay to ensure no loss of gold. The gold content of the sorted concentrate will be determined by mathematically combining the Au recovered by CN leaching with residual gold detected by metallic screen fire assay.

- Sorted tailings will be crushed to -2 mm (P100) and recombined with any -2 mm material generated during initial screening. A 30 kg split of -2 mm material will be taken and pulverized to -75 microns (P95). Three, 1 kg splits of the pulverized material will be subjected to intensive CN leaching and analysis. A weighted average grade of these three analyses will constitute the sorted tailings grade.
- A final bulk sample grade will be calculated by mathematically combining the sorted concentrate grade and the sorted tailings grade.

Laboratory turn around for bulk samples is expected to be around 4-6 weeks.

Drilling

Novo envisions a two-pronged approach to drilling at Karratha. Scout diamond core drill holes will help allow initial assessment of the depth and thickness of targeted gold-bearing conglomerates. Once target depth and thickness have been determined, large diameter RC holes (17.5” diameter) will be drilled to collect bulk samples. Sampling will be done on one-metre intervals through the targeted horizon. Novo has engaged FORACO International SA to undertake large diameter RC drilling and is currently in discussions with various drill contractors for diamond core drilling.

Trenching

Novo plans to obtain geologic data and bulk samples through extensive trenching of the targeted conglomerate horizon. Discussions are currently underway with contractors capable of excavating trenches using hard rock trenchers designed to cut 2-3 metre deep slots for pipelines. Due to hard ground conditions, Novo is uncertain of the potential of utilizing such a trencher, but plans to test one as soon as a contracting candidate has been chosen. Assuming this approach proves viable, Novo plans to bulk sample the walls of trenches rather than sourcing bulk sample material from the trencher, itself. Sample integrity is essential, and the material generated from the trencher is viewed as high-risk for cross contamination of sample intervals. Should a hard rock trencher prove unviable, Novo plans to employ excavators with rock breaking capabilities, a much slower and less precise alternative for trenching.

Permitting and Exploration Plans at Purdy’s Reward

Upon completion of definitive farm-in and joint venture agreements between Novo and Artemis Resources Limited (“Artemis”), Novo was formally appointed exploration manager of the Purdy’s Reward exploration license. Over the past few days, Novo has begun to line up necessary permitting needed to undertake work at Purdy’s Reward. A summary of permitting and exploration plans is as follows:

- Novo plans to undertake trenching activities under an approved plan of work (“POW”) previously filed by Artemis. Importantly, heritage clearance has been completed. Upon selection of a hard rock trenching contractor, Novo plans to test this trenching method within 2-3 weeks.
- Novo recently filed a POW to allow scout diamond core drilling to be undertaken at Purdy’s Reward. Approvals are awaited. Heritage clearance must be undertaken once the POW has been approved. This entire process is anticipated to take 3-4 weeks.
- Novo recently filed a POW to undertake large diameter RC drilling at Purdy’s Reward. This was quickly approved. Heritage clearance will be undertaken within the next couple weeks. Before beginning large diameter RC drilling, Novo plans to drill some scout diamond core holes as discussed above.

Exploration at Comet Well

The five tenement applications comprising the Comet Well property are currently going through the process of grant. Novo anticipates granting of these tenements within the next 1-2 months after which time POW applications will be filed for drilling and trenching and heritage clearance will be undertaken. In the meantime, Novo is undertaking detailed mapping of these tenements in preparation for future advanced exploration work. An update on the geology of the Comet Well area will be provided to the market within the next couple weeks once this work has been completed.

Exploration on Novo’s 100% Controlled Tenements

Having been staked just a few months earlier, Novo’s 100% owned tenements adjoining Purdy’s Reward and Comet Well must go through the process of grant. It is anticipated that this could take another 6-9 months. Once granted, Novo plans to file POW applications for drilling the down dip continuation of gold-bearing conglomerates exposed at Comet Well and Purdy’s Reward.

Dr. Quinton Hennigh, the Company’s, President, Chairman, and a director, and a Qualified Person as defined by National Instrument 43-101, has approved the technical contents of this news release.

About Novo Resources Corp.

Novo's focus is to explore and develop gold projects in the Pilbara region of Western Australia, and Novo has built up a significant land package covering approximately 12,000 sq km. Novo also controls a 100% interest in approximately 2 sq km covering much of the Tuscarora Au-Ag vein district, Nevada. For more information, please contact Leo Karabelas at (416) 543-3120 or e-mail leo@novoresources.com

On Behalf of the Board of Directors,

Novo Resources Corp.

"Quinton
Quinton
President and Chairman

"Hennigh"
Hennigh

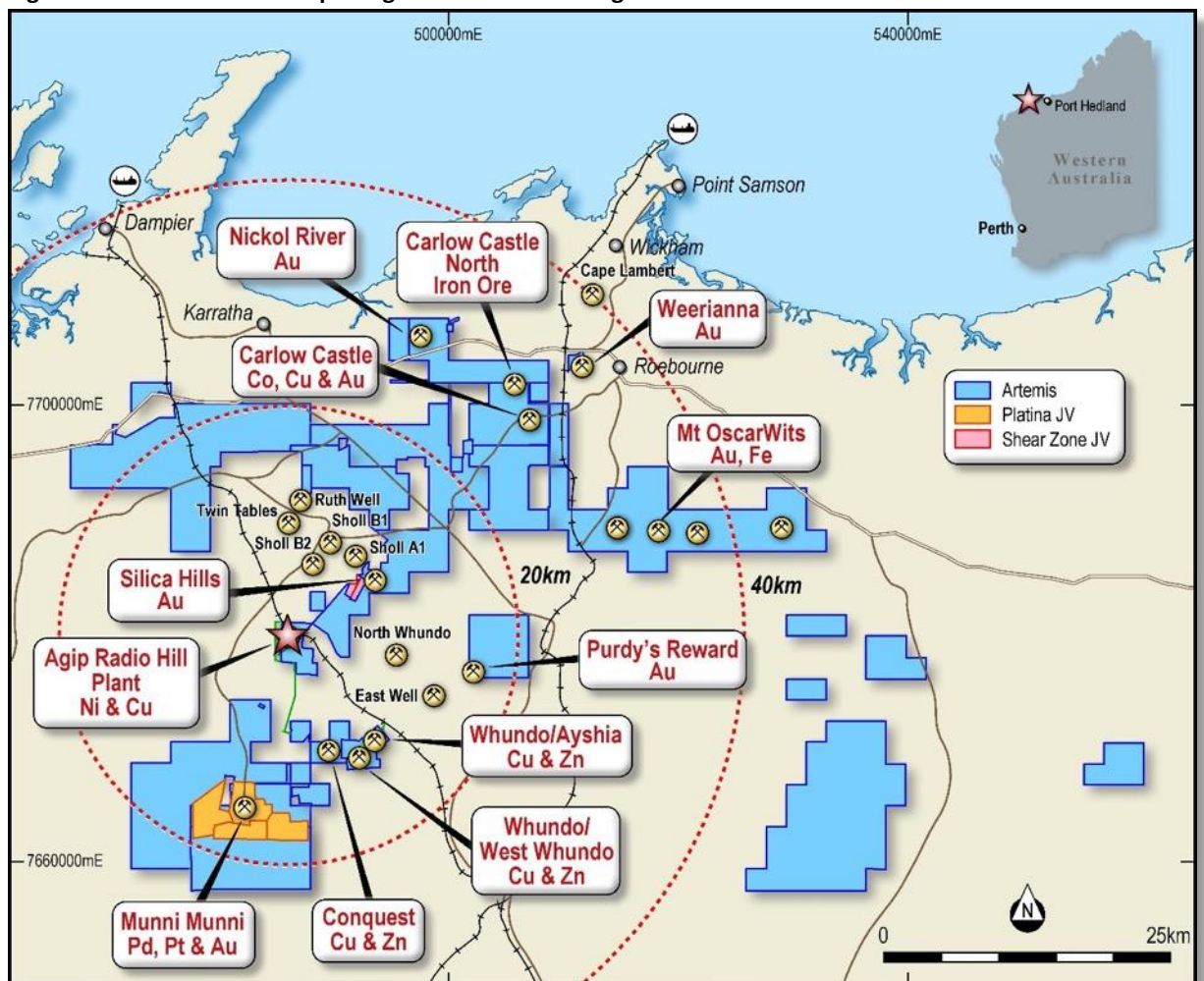
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Forward-looking information

Some statements in this news release contain forward-looking information (within the meaning of Canadian securities legislation) including, without limitation, the statement as to the results expected from various testing and sampling exercises described in this news release. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, without limitation, customary risks of the mineral resource industry as well as Novo having sufficient cash to fund the planned drilling, sampling, and other activities required before the Company is established as a mining company.

<END of Novo Resources Corp News Release>

Figure 1: Artemis' tenement package in the Karratha Region of Western Australia.



BACKGROUND INFORMATION ON ARTEMIS RESOURCES:

Artemis Resources Limited is a resources exploration and development company with a focus on its prospective Karratha (gold, cobalt, base metals, platinum group elements and iron ore) and the Mt Clement Paulsens (gold) project in Western Australia.

Artemis owns the fully permitted 425,000tpa Radio Hill nickel and copper operations and processing plant located 25 km south of Karratha. JORC 2004 compliant resources of Gold, Nickel, Copper PGE's and Zinc, all situated within a 40 km radius of the Radio Hill plant and on 1,536sqkm form the newly consolidated assets of Artemis Resources.

Artemis have signed Definitive Agreements with Novo Resources Corp. ("Novo"), whereby Novo can farm-in to 50% of gold (and other minerals necessarily mined with gold) in conglomerate and/or paleoplacer style mineralization in Artemis' tenements within 100km 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 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 farm-in commitment now requires Novo to expend AUD \$2 million on exploration within two years of satisfying conditions precedent in the definitive agreements.

The Definitive Agreements cover 38 tenements/tenement applications that are 100% owned by Artemis. On completion of the farm-in commitment, three 50:50 joint ventures will be formed between Novo's subsidiary, Karratha Gold Pty Ltd ("Karratha Gold") and three subsidiaries of Artemis. The joint ventures will be managed as one by Karratha Gold. Artemis and Novo will contribute to further exploration and mining of the Gold Rights on a 50:50 basis. Further definitive agreements covering approximately 19 Artemis tenements/tenement applications that are already subject to third party interests are expected to be signed once all necessary third party consents have been obtained.

CONTACTS:

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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FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE

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