



ASX / Media Announcement

13 September 2017

Artemis Resources Limited
ARBN: 80 107 051 749

Level 3, IBM Building,
1060 Hay Street,
West Perth, WA
Australia, 6006

PO Box R933
Royal Exchange
NSW
Australia, 1225

Phone: +61 2 9078 7670
Facsimile: +61 2 9078 7661
Email:
info@artemisresources.com.au
Website:
artemisresources.com.au

Directors:

Executive Chairman
David Lenigas

Executive Directors
Ed Mead
Alex Duncan-Kemp

Non-Executive Directors
Campbell Baird

Company Secretary:
Guy Robertson

Corporate Information
ASX Code: ARV



US\$2million Convertible Note Repaid 11 Months Early With Final Instalment Share Issue

HIGHLIGHTS:

- Artemis fully closes out US\$2 million Convertible Note put in place on 28 April 2017 that funded the acquisition of the Radio Hill Plant and its associated and extensive tenement package in the Karratha Region of Western Australia.
- Convertible closed out 11 months earlier than originally anticipated.
- Convertible was originally for a 16 month period.
- Artemis issues 5,987,503 shares to completely pay down the Convertible Note.
- The arrangement provided Artemis with US\$2million (~A\$2.66million) by way of a 16 month Loan Agreement and Convertible Note:
 - Artemis' share price at time of signing was only 9 cents per share.
 - Convertible price was fixed at 12 cents per share.
 - Artemis, at it's election, could pay monthly repayments in cash if the Artemis share price is below 12 cents per share. A total of US\$200,000 was paid in cash under this arrangement over the life of the Convertible.

Artemis's Executive Chairman, David Lenigas, commented;

"I'm pleased that Artemis has managed pay out this Convertible much earlier than anticipated. It was originally put in place to close the funding necessary to buy the very strategic Radio Hill mine and treatment plant south of Karratha plus and its considerable tenement package. The board is grateful for Riverfort and its associated investors for providing these funds in very short order at the time. The Radio Hill assets, in particular the fully permitted plant will hopefully prove invaluable to the Company as we move forward with our strategy of unlocking our gold, cobalt, copper, nickle, zinc and platinum/palladium assets all located within a 40km radius of Radio Hill."

Artemis Resources Limited (ASX:ARV) ("Artemis"), is pleased to announce that it has now fully closed its US\$2million (~A\$2.66million) Loan Agreement and Convertible Note, as announced on 28 April 2017, with the issue of 5,987,503 shares as full and final settlement under the agreements with the investors. This pays off the Convertible in 5 months as opposed to the original 16 months as originally envisaged under the original agreements.

The arrangement was originally put in place by the Company to assist fund the acquisition of the Radio Hill Nickel/Copper/Cobalt Metallurgical plant, the Radio Hill Mine and it's JORC compliant resource base held within a 495 km² tenement package in the Pilbara Region of Western Australia. Th Radio Hill assets are a core part of the Company's strategy of creating a "Hub and Spoke" operation for the first time in the Karratha area with the aim of creating a multi-metal production company and unlocking the growing gold, cobalt, copper, nickel, zinc, palladium, platinum potential of the region.

Artemis announced on 28 April 2017 that, in order to fund the Fox Radio Hill acquisitions and in the least dilutive way for shareholders at that point in time, the Company entered into an US\$2million (~A\$2.66million) Funding Agreement by way of the issue of Convertible Securities with an aggregate face value of US\$2,000,000 ("Loan Agreement") with a consortium of investors arranged by London based institution Riverfort Global Capital Ltd (the "Investors"). The Loan Agreement had been entered into in order to secure the acquisitions and provide working capital for a significant long-term asset for the Company and to provide additional working capital to assist in the continued growth of the business of the Company.

The US\$2million ("Principal Amount") had a maturity date of sixteen months. The Convertible Securities had a fixed conversion price of A\$0.12 per fully paid ordinary share and, subject to certain conditions in the Funding Agreement and compliance with the ASX Listing Rules, at the funder's election. There were no repayments required by Artemis during the first two months, and if the Artemis share price was below A\$0.12 per share for any month for the loan period from month 3 to month 16, Artemis could elect to make the repayment for any month in cash at 115% of the monthly redemption amount. Artemis paid a total of US\$200,000 in cash payments under this arrangement.

The Company also issued the Investors 4,400,000 options at an exercise price of A\$0.15 (with an expiry date 3 years from grant) and 4,000,000 Artemis shares as share collateral to secure Artemis' obligations under the Funding Agreement. These securities were issued under the Company's existing 15% capacity under Listing Rule 7.1 and shareholder approval was not sought at the time for those issues of securities.

CONTACTS:

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

Investors / Shareholders

Edward Mead

Executive Director

Telephone: +61 407 445 351

Email: Ed.Mead@artemisresources.com.au

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.

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 (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.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.