



ASX / Media Announcement

27 November 2017

20,000 Tonne Bulk Sample Permit granted for Purdy's Reward - Karratha, Western Australia-

Highlights:

- Artemis secures DMIRS permission for 20,000 tonne excess tonnage permit for the extraction of a bulk sample from the Purdy's Reward tenement.
- Novo completes 60 diamond core drill holes.
- Novo accelerates trenching and bulk sampling activities along the strike of the daylighting conglomerate package.

David Lenigas, Artemis' Executive Chairman, commented;

"Artemis fortuitously applied for this 20,000 tonne bulk sample extraction permit before the deal was finally negotiated with Novo and this has just been approved by the DMIRS. The ability to now take bulk samples of this size is potentially very important for the Novo/Artemis exploration efforts determining the actual recovered grades of this nugget gold bearing conglomerate at Purdy's Reward. We look forward to working with Novo on this exciting project as we move forward."

Artemis Resources Limited ("Artemis") (ASX: ARV) is pleased to provide the following update from **Novo Resources Corp. ("Novo")**, the **Purdy's Reward Conglomerate Gold Project** managers under the Company's existing farm-in and joint venture agreements. Purdy's Reward is located south of Karratha in the Western Pilbara Region of Western Australia.

The relevant parts of the Novo news release released by them on 24 November 2017 are shown below. Novo's release can be read in full on their website.

"NOVO PROVIDES UPDATE ON EXPLORATION AT PURDY'S REWARD, STRATEGIZES BULK SAMPLING APPROACH WITH ARTEMIS

VANCOUVER, BC, November 24, 2017 - Novo Resources Corp. ("Novo" or the "Company") (TSX-V: NVO; OTCQX: NSRPF) is pleased to provide an update on exploration activities at the Purdy's Reward tenement, a key tenement within the farm-in and joint venture Novo has with ASX-listed Artemis Resources Limited ("Artemis") and part of Novo's greater Karratha gold project, Western Australia. In addition to this update, Novo wishes to advise that the Company has recently been notified by Artemis that the Western Australian Government's Department of Mines, Industry Regulation and Safety ("DMIRS") has granted a 20,000 tonne excess tonnage permit for the extraction of a bulk sample from the Purdy's Reward tenement.

Karratha Gold Project

Gold mineralization at Karratha is hosted by a sequence of conglomerate beds and fossil gravel horizons ranging from a few meters to approximately 20 meters thick comprising the base of a much thicker package of sedimentary and volcanic rocks called the Fortescue Group.

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Rocks of the Fortescue Group were deposited between 2.78 and 2.63 billion years ago upon 3.0 to 3.7 billion year old igneous and metamorphic rocks that make up the Pilbara craton. Gold-bearing conglomerates dip gently southeastward under cover at shallow angles of less than 10 degrees, and Novo believes that these rocks may underlie significant areas within the greater Fortescue basin.

Conglomerate-hosted gold mineralization at Karratha is extremely nuggety and requires exceptional exploration techniques for its evaluation. In the Company's news releases dated August 31 and September 21, 2017, Novo detailed its multi-pronged approach to exploration including: 1) scout diamond drilling for geological data, depth to target and thickness of conglomerates, 2) large diameter drilling for bulk sampling and 3) trenching for geological information and bulk sampling.

Trenching and Bulk Sampling

As discussed in the Company's news release dated November 2, 2017, trenching is proving invaluable for providing geological data as well as bulk sample material. Therefore, Novo recently accelerated trenching and bulk sampling activities along the strike of the daylighting conglomerate package. A comprehensive overview of trenching activities will be provided by Novo approximately mid-December once this fieldwork is complete.

Nagrom Metallurgical Laboratory, Perth ("Nagrom") has recently indicated to Novo that the first trench bulk sample grade results will be available in January. Processing of samples has been delayed while Nagrom has adjusted and optimized the sorting ability of its new Steinert sorting machine. In the meantime, Novo has been shipping bulk samples to Nagrom in preparation for processing.

Given the nuggety nature of gold mineralization at Karratha, Novo considers bulk sampling the best practical means of evaluating grade and potential viability of the deposit. Prior to signing definitive agreements with Novo in August, Artemis had filed an application with the DMIRS for a 20,000 tonne excess tonnage permit for extraction of bulk material from the Purdy's Reward tenement. This application was recently approved. To move the project forward, Novo and Artemis are now working together on plans to utilize this permit to undertake systematic bulk sampling for grade purposes. Given what has been learned from recent trenches, Novo envisions collection of bulk material from multiple sites and positions within the conglomerate package at Purdy's Reward to provide the greatest understanding of this unusual gold system.

Drilling

As of the date of this news release, sixty diamond core holes have been completed in a northeast-trending corridor approximately 1,000 m long and 100-400 m wide. As discussed in Novo's news release dated October 17, 2017, diamond drill holes indicate strong continuity of the targeted conglomerate package (please refer to a plan map of drill sites and cross sections in the Company's news release dated October 17, 2017 for further details). Geological logging of all backlogged core holes is ongoing and expected to be completed by approximately mid-December at which point data will be collated with trench data and used to generate a 3D model of the conglomerate package.

Over a three-week period, FORACO International SA experimented with various drill bit diameter sizes, drilling dry and wet, various sampling techniques, and a mix of sample collection tooling. Upon careful review of sample consistency, integrity and recovery, Novo has decided it is uncomfortable with the product and its use as bulk sample material for grade estimation. While disappointing, Novo is reviewing other potential options for collecting bulk samples from drilling. As discussed above, Novo is currently putting emphasis on collection of bulk samples from trenches.

Recent Geological Findings

In the Company's news release dated October 17, 2017, Novo discussed that much of the historic prospecting activity at Purdy's Reward and Comet Well focused on the lower, mafic igneous rock clast-rich conglomerate sequence. Recent observations in trenches continue to confirm this pattern. Novo personnel have noted metal detector strikes throughout this lower conglomerate sequence, however most occur near its base. Interestingly, black chlorite-rich shale fragments are commonly observed in areas with abundant visible nuggets. Such shale fragments are seen in proximity to gold nuggets in the second video linked to Novo's July 12, 2017 news release announcing the discovery of gold nuggets at Purdy's Reward. The geological reason for the association between these shale fragments and gold nuggets has not yet been determined.

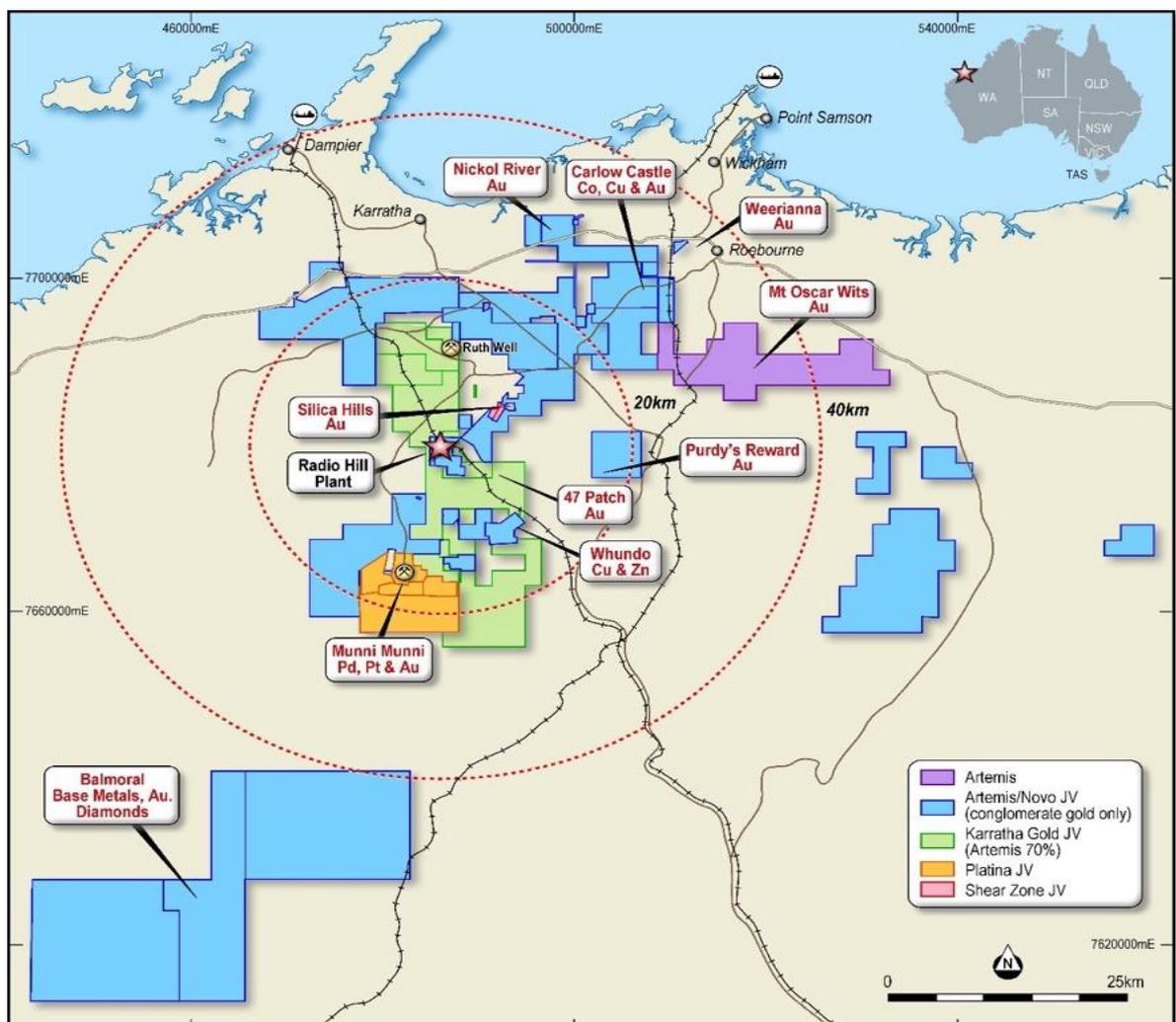
Scanning electron microscopy of cut slabs of gold-bearing conglomerate has yielded important information about the distribution of fine gold particles within the rock. Although a limited number of samples have been analyzed and more work is underway, current findings suggest most fine-grained gold occurs as halos of particles within a few millimeters of much coarser gold nuggets. Novo believes such fine-grained gold was remobilized and re-precipitated following burial and lithification of gold-bearing gravels. Novo believes it is possible that fine-grained gold observed in panning of weathered rock collected from trenches as well as the fine gold component observed in the first bulk sample (please refer to the Company's news release dated August 8, 2017 for further details) is derived from such halos of fine gold.

"We were fully aware from day one that the Karratha gold project is a coarse gold system," commented Dr. Quinton Hennigh, President, Chairman and a director of Novo Resources Corp. "The fact that numerous prospectors have been detecting gold here since its discovery is compelling evidence. While the ability to recover consistent, quality sample material using large diameter drilling has not yet been accomplished, trenching appears to yield acceptable bulk samples for test work. Bulk sampling at surface will be the most critical means of determining the grade, processing characteristics and viability of this deposit. We look forward to working with Artemis on ways to fast track a bulk sampling strategy at Purdy's Reward."

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

-END OF NOVO NEWS RELEASE-

Artemis' tenement package in the Karratha Region of Western Australia (Incl. Purdy's Reward).



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Tenure – Purdy’s Reward:

Artemis currently owns 100% of Purdy’s Reward, however the Company’s interest in the conglomerate and/or paleoplacer gold mineralisation rights in respect of the tenement will reduce to 50% upon Novo Resources Corp satisfying its \$2m expenditure obligation in accordance with the farm-in and joint venture agreements as announced on 24 August 2017¹.

COMPETENT PERSONS STATEMENT:

The information in this document that relates to Exploration Results and Exploration Targets is based on information compiled or reviewed by Allan Younger, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Younger is a consultant to the Company, and is employed by Indigo Geochemistry Pty Ltd. Mr Younger 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 Younger consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

¹Artemis Resources Limited ASX announcement dated 24 August 2017 – <https://artemisresources.com.au/index.php/shareholder-centre/asx-announcements>

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.