

## High Grade Gold Results from Purdy's Reward - Karratha, Western Australia-

### Highlights:

- Basal conglomerate bulk sampling returns gold grades including 87.7g/t, 46.1g/t, 17.7 g/t, 15.7 g/t and 10.6g/t.
- Basement (Dolerite) bulk sampling, below the conglomerates, returned gold grades up to 4.1 g/t.
- Bulk sample size has now increased to ~6 tonnes per sample from typically ~300 kg per sample with first results from these larger bulk samples expected shortly.

### **Ed Mead, Artemis's Executive Director, commented;**

*"These excellent bulk sampling results, as received from Novo, clearly show very high grade gold results. The result is from the first of the shallow trenches dug at Purdy's Reward, near the topographic basement high point for the area, where exposure of the gold bearing units daylight. The 2018 exploration season has now started in earnest.*

*Gold results from the basement dolerite unit grading up to 4.1 g/t are an extremely interesting development and further work is required to determine the ultimate significance of gold in the zone below the gold bearing conglomerates.*

*With an improved understanding of the extreme nugget effect at the Purdy's Reward, increasing the bulk sampling size and a new reliable and consistent processing path now available through SGS Minerals, a lot more bulk sampling can be achieved in a shorter timeframe. Once we have the ability to quickly determine gold grade content, we can more accurately define the extent of the gold mineralisation in these conglomerates and the surrounding rocks.*

*Artemis is also pleased to see Novo's comments with respect to their Powerline area on their adjacent Comet Well tenement, and the video link of the project within the text of the below release. This is seen as highly encouraging for the prospectivity of our adjacent Elysian tenements immediately to the west of Comet Well."*

Artemis Resources Limited ("Artemis" or "the Company") (ASX: ARV) is pleased to provide the following update by **Novo Resources Corp. ("Novo")** on the **Purdy's Reward Conglomerate Gold Project**. Novo is the manager of this project under the 50/50 joint venture arrangements. Purdy's Reward is located south of Karratha in the Western Pilbara Region of Western Australia.

The relevant parts of the Novo news release (including figures) published on 14 February are shown below, with the addition of the JORC 'Table 1' appended to this release to comply with ASX requirements. Novo's release can be read in full on its website.

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## NOVO COMMENCES WORK AT COMET WELL AND UPDATES RESULTS FROM PURDY'S REWARD

**VANCOUVER, BC**, February 14, 2018 - **Novo Resources Corp.** ("Novo" or the "Company") (TSX-V: NVO; OTCQX: NSRPF) is pleased to announce its 2018 exploration program at its Karratha gold project has begun. Diamond drilling and trenching have recently been initiated at Comet Well. At Purdy's Reward, additional bulk sample results have returned allowing for planning of follow up work in this area. Comet Well, a farm-in and joint venture Novo has with two Pilbara-based prospectors, and Purdy's Reward, a farm-in and joint venture Novo has with ASX-listed Artemis Resources Limited, are both part of Novo's greater Karratha gold project located in the Pilbara region of Western Australia.

### Exploration Program at Comet Well

Scout diamond core drilling recently commenced along a 2.5 km long, 500 m wide, northeast-trending corridor extending from areas drilled last year at Purdy's Reward to an intensely prospected area called the Powerline showing on the Comet Well tenements (*Figure 1*). This drill program is designed to evaluate the position, thickness and dip of gold-bearing conglomerates that subcrop along the length of this corridor.

Novo plans to drill vertical scout holes along this corridor on a 200 m grid, and more tightly spaced holes in areas where trenching will occur in order to better understand subsurface geology before bulk sampling commences. Bulk sampling will be the means by which Novo anticipates evaluating gold grades of the targeted conglomerates. Initial drilling encompasses approximately 60 holes and is expected to be completed over about three months.

The first few diamond core holes at the Powerline showing have revealed thick intercepts of conglomerate. Holes collared in the Mt Roe basalt, the cap rock to the conglomerate sequence, have encountered 30 to 35 meter intercepts of conglomerate before entering the dolerite footwall at the base. Given the dip appears to be quite shallow, less than 10 degrees, these intervals are probably close to true thicknesses. Interestingly, the uppermost beds of conglomerate encountered in these holes resemble those seen at Purdy's Reward. The lowermost 15 m of conglomerate appears unique to the Powerline area. In places, boulder clasts in this lower unit are over 1 m across and are ubiquitously well rounded. Pyrite, both detrital and late, appears frequently.

Novo's first trench at the Powerline showing has exposed the lower conglomerate unit seen in core drilling. Metal detecting has readily identified numerous strikes within exposed bedrock. A video showing Novo staff detecting and marking the bottom of the first trench can be accessed at <https://www.youtube.com/watch?v=Xxm-SftswLs>. Unlike at Purdy's Reward where most gold nuggets appear to occur near the base of the conglomerate sequence, detector strikes have been noted in multiple horizons above the basal contact at Powerline (*Figure 2*). Several gold nuggets have been exhumed from this conglomerate (*Figure 3*). Weathered pyrite is observed in the matrix of conglomerate exposed in trenching confirming observations of drill core (*Figure 4*).

Novo is carefully cleaning the bottom of trenches to expose the top of fresh rock in preparation for bulk sampling. As discussed in its news release dated February 6, 2018, Novo has contracted SGS Minerals, Perth, who has a fit for purpose circuit, capable of processing and analysing larger samples containing coarse, nuggety gold like that found at Karratha, in a time frame that would normally be expected from RC or diamond samples. Bulk samples will be sealed in crates and shipped to the test plant facility over the coming weeks.

### Purdy's Reward Update

Novo has received Au results for multiple bulk samples collected late last year from trenches at Purdy's Reward (*Please see Figure 5 for a tabulation of results and Figure 6 for location map showing trenches 1, 2 and Diamond Drill holes.*). Bulk samples discussed here were some of the first samples taken from the project and each weigh approximately 300 kg, a size Novo has recently determined insufficient to evaluate grades of this nuggety gold system. Nonetheless, results from these initial bulk samples provide insight into the grade distribution within the conglomerate section at Purdy's Reward. Observations include:

- Concentrates from all samples yielded multiple flattened, “melon seed” nuggets attesting to the nuggety nature of the deposit (*Please refer to Figure 4 in Novo’s news release dated December 21, 2017 for an image of such concentrate.*).
- The richest gold grades appear to be concentrated near the base of the conglomerate package immediately above the dolerite footwall. Grades of 87.8, 46.1, 10.6 and 15.7 gpt Au were obtained from samples of this material from trench 1 and 17.7 gpt Au from a sample from trench 2. (*Please refer to Novo’s news releases dated August 8 and December 21, 2017.*)
- Samples of footwall dolerite yielded significant gold, perhaps reflecting penetration of nuggets into this unit from above. Bulk samples of this material yielded grades of 4.1, 0.4 and 0.03 gpt Au from trench 1, and 2.2 and 2.7 gpt Au from trenches 2 and 3. Clearly, the underlying rock is prospective in areas immediately below the basal conglomerate.
- Conglomerate samples taken from areas above the base contain occasional nuggety gold. Grades of 1.3 and 0.2 gpt Au were obtained from two samples of this material from trench 1 and 1.3 gpt Au from a sample from trench 2. Novo views these results as indicative only since field observations indicate nuggets originate from upper conglomerates. Novo thinks samples of 5-15 tonnes will be necessary to better assess gold grades from these units.

At the end of 2017, Novo collected a few approximately 6-tonne samples from a few trenches at Purdy’s Reward. These samples were collected after the recognition of the extreme nuggety nature of mineralization and that most nuggets are concentrated near the base of the conglomerate sequence. In an effort to standardize bulk sampling protocols, Novo extracted each sample from flat panels of rock each 0.5 m thick and with a set footprint of 4 sq meters.

One of these bulk samples will be the first through the new SGS plant. Results of this are expected shortly after processing.

Novo is considering collecting additional samples in a similar manner at Purdy’s Reward and Comet Well pending return of these results.

“We are pleased to commence work again at Karratha,” commented Dr. Quinton Hennigh, Chairman and President of Novo Resources Corp. “Last year, we cut our teeth on this unusual gold deposit and gained valuable knowledge in the process. The erratic spread in gold grades seen from early small volume bulk samples of circa 300 kg bulk of footwall dolerite and upper conglomerates from Purdy’s Reward confirms the nuggety nature of mineralization. Five to fifteen tonne bulk samples are clearly necessary to get a better handle on gold grades, and we are now in a position to collect these having recently secured a test plant at SGS, capable of processing such large volumes of material. Purdy’s Reward bulk samples will be the first through this new plant, and results are expected shortly. At Comet Well, we are quickly getting our scout diamond core holes and a few trenches in place to evaluate stratigraphy in preparation for bulk sampling. Over the coming months, we anticipate collecting numerous bulk samples at Comet Well and Purdy’s Reward to begin to assess grade and continuity of this deposit.”

#### **Quality Control and Quality Assurance:**

Novo staff, under the supervision of Dr. Quinton Hennigh, Novo’s President and Chairman, collected bulk samples and drill samples discussed in this news release. Bulk samples were submitted to Nagrom Metallurgical Laboratory in Perth, Australia, where they were processed according to procedures detailed in Novo’s news release dated August 31, 2017.

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.



*(Figure 1: Photograph of the Powerline showing looking southeast. Trenches are being opened immediately right of the location of the diamond core rig. The base of the conglomerate sequence is in the foreground and the top is approximately where the two white vehicles are parked along the ridgeline. True thickness of the conglomerate section is approximately 30 meters and is dipping away from the camera at about 3-4 degrees.)*



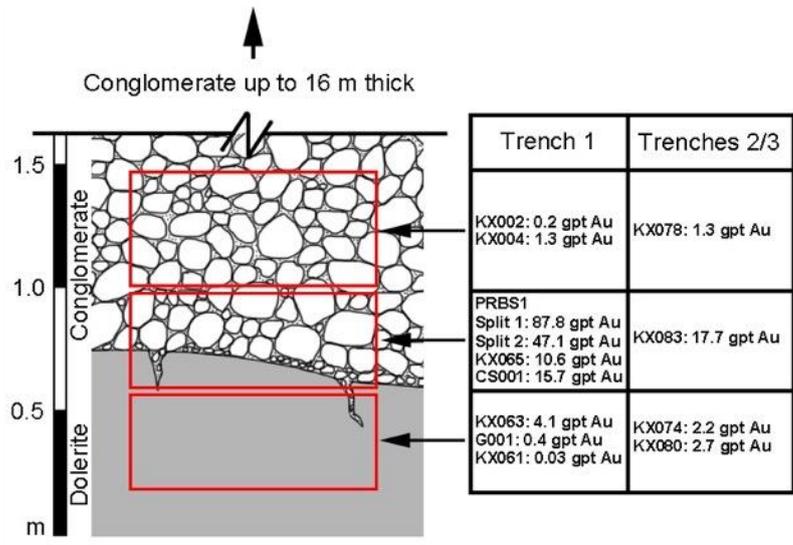
*(Figure 2: Aerial photograph of the Powerline showing looking southwest. The first trench to expose bedrock is immediately behind the mast of the diamond core drill. Numerous detector strikes were encountered in multiple layers. The footwall contact of the conglomerate sequence is not exposed in this trench. In situ gold nuggets as see in Figure 3 have been extricated from rock matrix material.)*



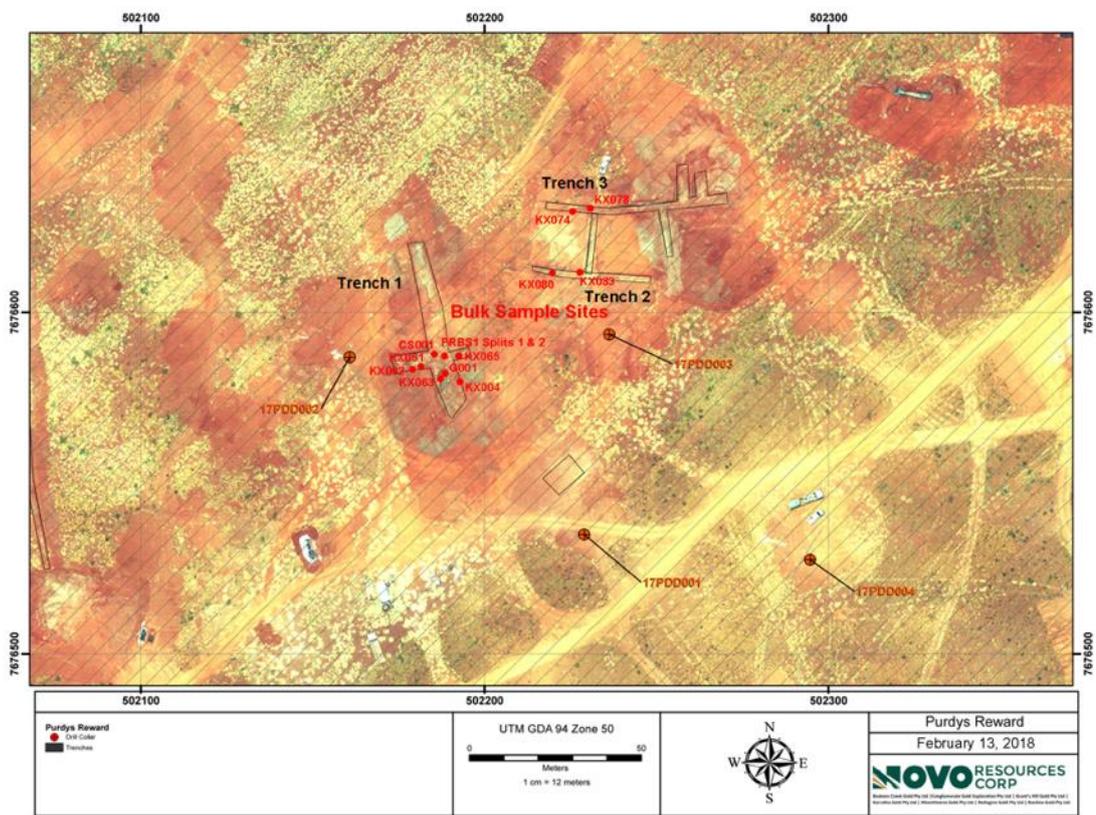
*(Figure 3: Gold nugget extricated from matrix of the lower conglomerate at the Powerline showing.)*



*(Figure 4: Wall of the first trench at the Powerline showing. Large boulders are evident in the conglomerate. Dark orange and red staining is from weathered pyrite occurring in the matrix of the conglomerate. Otherwise, the rock is nearly fresh. Trenches are carefully being cleaned of weathered rock in preparation for bulk sampling.)*



(Figure 5: Schematic section through the basal conglomerate section and footwall dolerite at Purdy's Reward. Red boxes show the location of bulk samples taken from the lithologic section. Results in the table on the right show respective grades returned from bulk samples from trenches 1, 2 and 3. These bulk samples each weigh approximately 300 kg, small compared to the recommended minimum sample size of five tonnes. Highest gold grades are situated in the basal part of the section. Gold is also present in overlying conglomerates, but Novo believes large samples will be necessary to better evaluate grades in this lower grade material. Gold in samples of the footwall dolerite may be coming from cracks and crevasses along the contact. Samples KX078, CS001 and KX083 were first reported in a news release dated December 21, 2017. Samples PRBS1 Split 1 and Split 2 were first reported in a news release dated August 8, 2017.)



(Figure 6: Plan map at Purdy's Reward showing the location of Trenches 1, 2 and 3. Bulk sample locations are also highlighted. Drill holes shown were discussed in a news release dated December 21, 2017.)

**-END OF NOVO NEWS RELEASE-**

**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 Doralda Pty Ltd. Mr Mead has sufficient experience that 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.

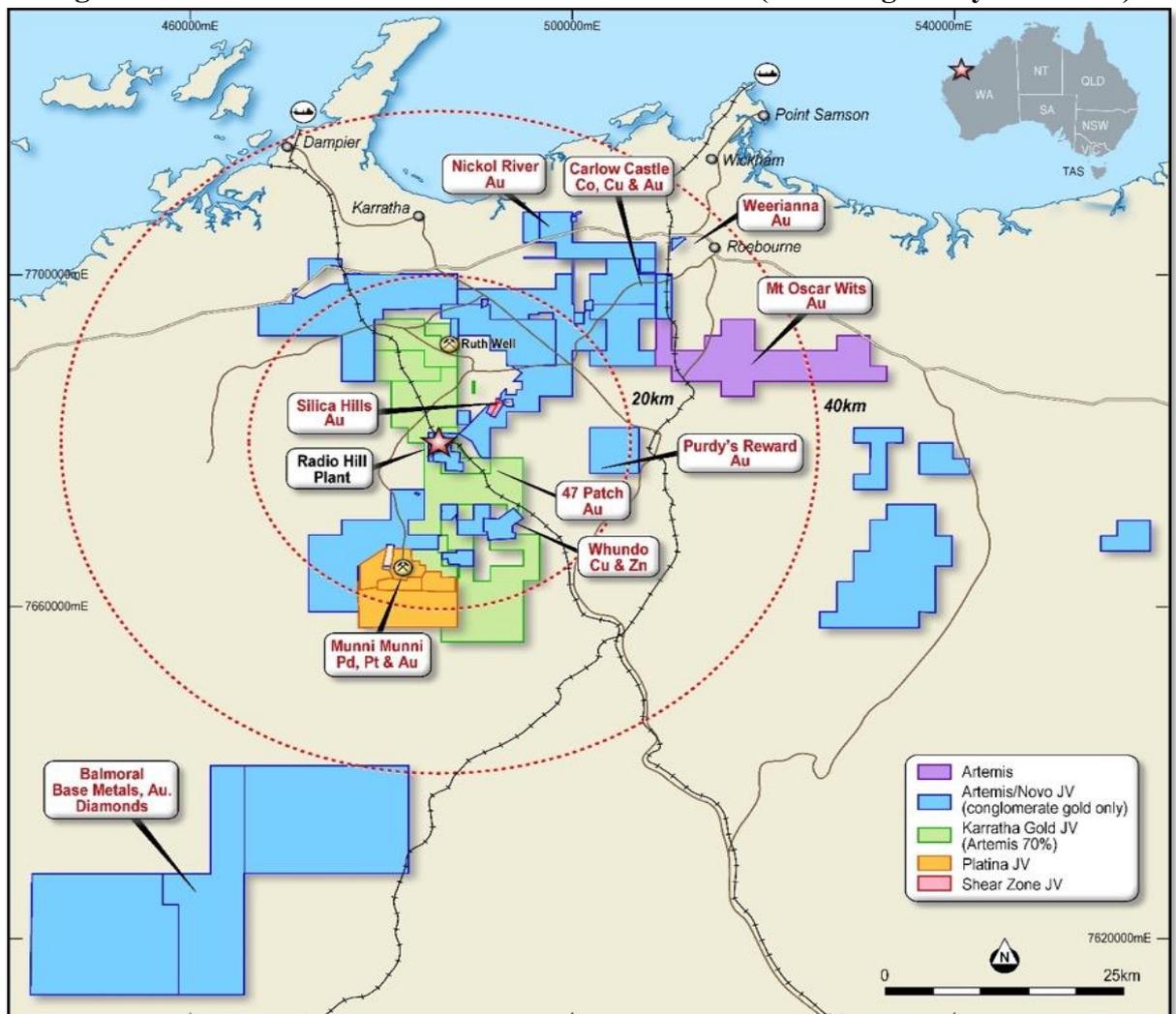
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**Figure of Artemis's Tenements in the Karratha Area (Including Purdy's Reward)**



## **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 ~500,000tpa Radio Hill nickel and copper operations and processing plant located 25km south of Karratha. JORC 2004 compliant resources of Gold, Nickel, Copper PGE's and Zinc, all situated within a 40km radius of the Radio Hill plant and on 1,838km<sup>2</sup> form the newly consolidated assets of Artemis Resources.

Artemis have signed Definitive Agreements with Novo Resources Corp. (“**Novo**”), and pursuant to the Definitive Agreements, Novo has satisfied its expenditure commitment, and earned-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) Mineral Resources and Reserves reported in compliance with the JORC Code (2012), 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. Artemis and Novo will contribute to further exploration and any 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.

## JORC Code, 2012 Edition – Table 1

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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.</li> <li>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.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were collected from trenches and diamond drill holes.</li> <li>Where possible, and to ensure representivity, trenches were excavated to the conglomerate basal unconformity.</li> <li>Trench walls were sampled from top to bottom, and to ensure sample representivity samples were constrained by geological units. They were effectively treated as vertical drill holes with their collar locations marked by Trimble GPS.</li> <li>Samples had a minimum interval of 30 cm and a maximum interval of 1 m.</li> <li>Samples were collected in 200 litre drums, until these were full.</li> <li>Sample heterogeneity studies were carried out to optimise the sample sizes and improve the representivity. This showed that the 300-kg samples were not large enough to appropriately capture the inherent variability of the ore.</li> <li>Once on the basal unconformity, a 30-cm deep lateral sample was collected until the 200L drum was full.</li> <li>Diamond drill core was cut in half with a diamond bladed core saw and sampled at nominal 1-metre intervals, or to lithological contacts</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>Diamond drilling is PQ.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The recovered core length was divided over the distance recorded between core blocks placed at the end of each drill rod pull.</li> <li>Diamond drilling recovery has generally been excellent and close to 100%.</li> <li>Best drilling practices were employed to maximise sample recoveroes, including the use of appropriate drilling fluids.</li> <li>A relationship between recovery</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Logging</b>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<p>and grade is not known to exist.</p> <ul style="list-style-type: none"> <li>• Trenches and diamond core were geologically logged to a level of detail appropriate for Mineral Resource estimation.</li> <li>• Core and trench intervals logging was qualitative and quantitative in nature.</li> <li>• All available core and trench intervals were logged.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Bulk samples derived from trenches were crushed to 100% passing 60 mm and then dry screened at 10 mm and 2 mm.</li> <li>• The &gt;10 mm and 2-10 mm fractions were fed through a Steinert XSS sorting machine to generate a concentrate of rock particles containing coarse gold ('sorted concentrate') and tailings ('sorted tailings'). The sorted concentrate was crushed to 100% passing 2 mm and subjected to standard laboratory analysis.</li> <li>• The sample preparation procedure is appropriate for the material and minimizes bias and variance and the sample treatment and preparation process.</li> <li>• Diamond core is cut in half with a diamond bladed core saw. Samples were then crushed to 85% passing 2 mm, and pulverized to 95% passing 75 micron.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Bulk samples derived from trenches in August 2017 were crushed to -60 mm (P100) and dry screened at 10 mm and 2 mm.</li> <li>• The +10 mm and 2-10 mm fractions were fed through the Steinert XSS T sorting machine to generate a concentrate of rock particles containing coarse gold ("sorted concentrate") and tailings ("sorted tailings"). The sorted concentrate was crushed to -2mm (P100) and subjected to intense CN leaching and analysis. Tailings from intense CN leaching were subjected to metallic screen fire assay to ensure no loss of gold. The gold content of the sorted concentrate was determined by mathematically combining the Au recovered by CN leaching with residual gold detected by metallic screen fire assay.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• <i>Sorted tailings</i> were crushed to -2 mm (P100) and recombined with any -2 mm material generated during initial screening. A 30 kg split of -2 mm material was taken and pulverised to -75 microns (P95). Three, 1 kg splits of the pulverised material was subjected to intensive CN leaching and analysis. A weighted average grade of these three analyses will constitute the <i>sorted tailings</i> grade.</li> <li>• A final bulk sample grade was calculated by mathematically combining the <i>sorted concentrate</i> grade and the <i>sorted tailings</i> grade</li> <li>• Bulk samples derived from trenches after August 2017 were crushed to 1mm and screened. <ul style="list-style-type: none"> <li>• Material that was +1mm was then subject to jiggling, the -1mm then reported to a Knelson with the concentrate being tabled.</li> <li>• The combined tabled and jig concentrate was then screen fire assayed.</li> <li>• Tails material was then subject to up to 50 x 1kg LeachWell assays. The concentrate assay and the Leachwell assay was then combined to arrive at a Calculated Head assay that was reported.</li> </ul> </li> <li>• Diamond core samples were analysed by Intertek Genalysis (Perth).</li> <li>• The laboratory techniques below are for all samples submitted to Genalysis and are considered 'total' and appropriate for the style of mineralisation defined within the Purdy's Reward Project area: <ul style="list-style-type: none"> <li>• 1,000 gram CN-leach digestion with MS finish - Au.</li> <li>• 4 Acid Digest ICP-AES Finish (4A-MS48) – Including Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W, Zn.</li> </ul> </li> <li>• Quality control during the analytical process at Genalysis included the laboratory's internal processes of consistency monitoring (using certified reference materials), blanks, replicates and duplicates.</li> <li>• Genalysis performance verification included external laboratory checks by Novo.</li> <li>• Both internal QC and external lab checks did not indicate any issues</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<p>with bias or precision.</p> <ul style="list-style-type: none"> <li>At this stage of the project, significant intersections have not been verified.</li> <li>At this stage of the project, no twin holes have been used.</li> <li>All data collection and processing is carried out and controlled by standard operating procedures. Logging data is collected on paper and then transferred to a database</li> <li>Final bulk sample grades were calculated by mathematically combining the sorted concentrate grade and the sorted tailings grade.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Sample sites are determined using differential GPS.</li> <li>The grid system used for Novo Resources drilling is GDA94 (MGA 94 Zone 50)</li> <li>Topographic control was obtained from surface profiles DEM and differential GPS traverses and is of suitable quality.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Current trench spacing is irregular.</li> <li>Diamond drill holes have been completed on a nominal 50 metre by 50 metre grid in the core target area and further spaced away from this. At this stage of the project, this spacing is not considered appropriate to establish the degree of geological and grade continuity required to establish Mineral Resources.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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 in material.</li> </ul>	<ul style="list-style-type: none"> <li>Trenches were oriented to appropriately intersect the target geological formation of interest.</li> <li>At this stage of the project the location and orientation of the trench samples is not considered to have introduced a sampling bias.</li> <li>Diamond drill holes have been drilled vertically into the conglomerate layer which dips at a shallow angle. All lithological units intersected in drill holes are near true widths.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Bulk Samples were scrutinized by independent consultants RSC, whilst the samples were being collected and also at arrival at Nagrom Laboratories.</li> <li>Sealed bulk sample drums were dispatched by Novo representatives to Nagrom Laboratories for testing.</li> <li>Drums were sealed with a unique security seal which is matched up with the drums sample ID.</li> <li>Diamond core samples were dispatched by Novo to Genalysis.</li> <li>The sample transport preparation, transport and sample receipt were carefully controlled by a Chain of Custody standard operating</li> </ul>

Criteria	JORC Code explanation	Commentary
		procedure.
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>The sampling processes were under constant scrutiny by both internal staff and various external consultants</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Trenching by Novo Resources was carried out on E47/1745 – 50% owned by Artemis Resources Ltd. 50% by Novo Resources Corp.</li> <li>The tenement is part of a Joint Venture with Novo being the Manager and Operator.</li> <li>This tenement is in good standing and no known impediments exist (see map provided in this report for location).</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Previous gold exploration activities by Artemis were restricted to orientation soil and stream sediment sampling, with bulk sampling using mini-excavators and metal detectors to identify the precise position of the source geological units of the coarse nugget gold.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The deposit is inferred to be a sedimentary-hosted gold deposit, with strong affinities to the Witwatersrand style, given the early stage of investigation specific aspects of the deposit are unknown.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The trenches and drill holes are being picked up with a differential GPS.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting Exploration</li> </ul>	<ul style="list-style-type: none"> <li>Not relevant to exploration being</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>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.</i></p> <ul style="list-style-type: none"> <li>• <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths 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.</i></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<p>undertaken.</p>
<p><b>Relationship between mineralisation widths and intercept lengths</b></p>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>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').</i></li> </ul>	<ul style="list-style-type: none"> <li>• A better understanding of the deposit geometry will be achieved on thorough interpretation of the data. True thicknesses may be reported at a later date if warranted.</li> <li>• Due to the moderately to flatly dipping nature of the mineralised zones, it is expected that true thicknesses will approximate the reported down-hole thicknesses.</li> </ul>
<p><b>Diagrams</b></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate maps and sections are available in the body of this announcement.</li> </ul>
<p><b>Balanced reporting</b></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Reporting of results in this report is considered balanced.</li> </ul>
<p><b>Other substantive exploration data</b></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Targeting for the diamond drilling (coring) by Novo has been designed on geological mapping and the surface expression of the targeted mineralised horizons. The coring programme has just begun.</li> </ul>

Criteria	JORC Code explanation	Commentary
<p><b>Further work</b></p>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions, depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Trenching will continue along the contact surface expression.</li> <li>• Diamond drilling/Coring will continue.</li> <li>• Bulk sampling to of layers within the conglomerate to be undertaken to refine understanding of distribution and grade of mineralisation.</li> </ul>