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ASX Code: ARV



ASX / Media Announcement

13 February 2017

HIGH GRADE COBALT CARLOW CASTLE PROJECT - KARRATHA, WESTERN AUSTRALIA.

- High grade Cobalt grades above 1% identified in primary sulphide ore at Carlow Castle Copper/Gold Project near Karratha.
- Drill hole GC04 intersected 4 metres at 33.6g/t gold and 1.12% Cobalt from 36 metre downhole (Figure 1).
- Drill hole DDH4 intersected 3.2 metres at 2.1% Copper and 0.54% Cobalt from 78m downhole (Figure 1).
- Up to 5.88% cobalt and 4.2% copper recorded from historic underground mining at the Quod Est Mine.
- Quod Est Mine at Carlow Castle waste dump samples from mine workings taken in 1967 averaged 3.22% copper, 0.4% cobalt and 4.1 g/t gold.
- Strong correlation between gold, copper and cobalt mineralisation.
- Cobalite and Erythrite minerals identified in historical mining operations.
- Carlow Castle lodes were mined from 1880 to 1910.
- The Radio Hill sulphide processing facility is 20km by public roads.
- The current Carlow Castle JORC resource of 418Kt @ 3 g/t gold and 0.6% copper also contains cobalt. The cobalt has not been incorporated into the resource.
- The Carlow Castle resource remains open in all directions.

David Lenigas, Artemis's Chairman, commented;

"The Carlow Castle area holds significant potential for primary Cobalt mineralisation associated with high grades of Copper and Gold. Previous mining and exploration efforts in the area were primarily focused on gold and copper with only cursory historic efforts made to understand the area's significant Cobalt potential."

Recent work by Artemis has identified cobalt mineralisation in strong association with copper and gold with Cobalt grades from shallow drilling recording above 1% cobalt, and assays recording up to 5.88% from the Quod Est mine ore. We believe that Cobalt, Copper and Gold now need to be considered on an integrated basis at Carlow Castle and Artemis is now undertaking a complete re-evaluation of this very exciting 100% owned project."

Cobalt is a key component in the growing EV and energy storage market with 97% of global production being a by-product of nickel and copper production. The battery industry uses approximately 46% of global production with the balance used in diverse industrial and military applications. Analysts predict increasing demand and supply shortages will see the cobalt price move beyond the current \$39,000 per tonne."

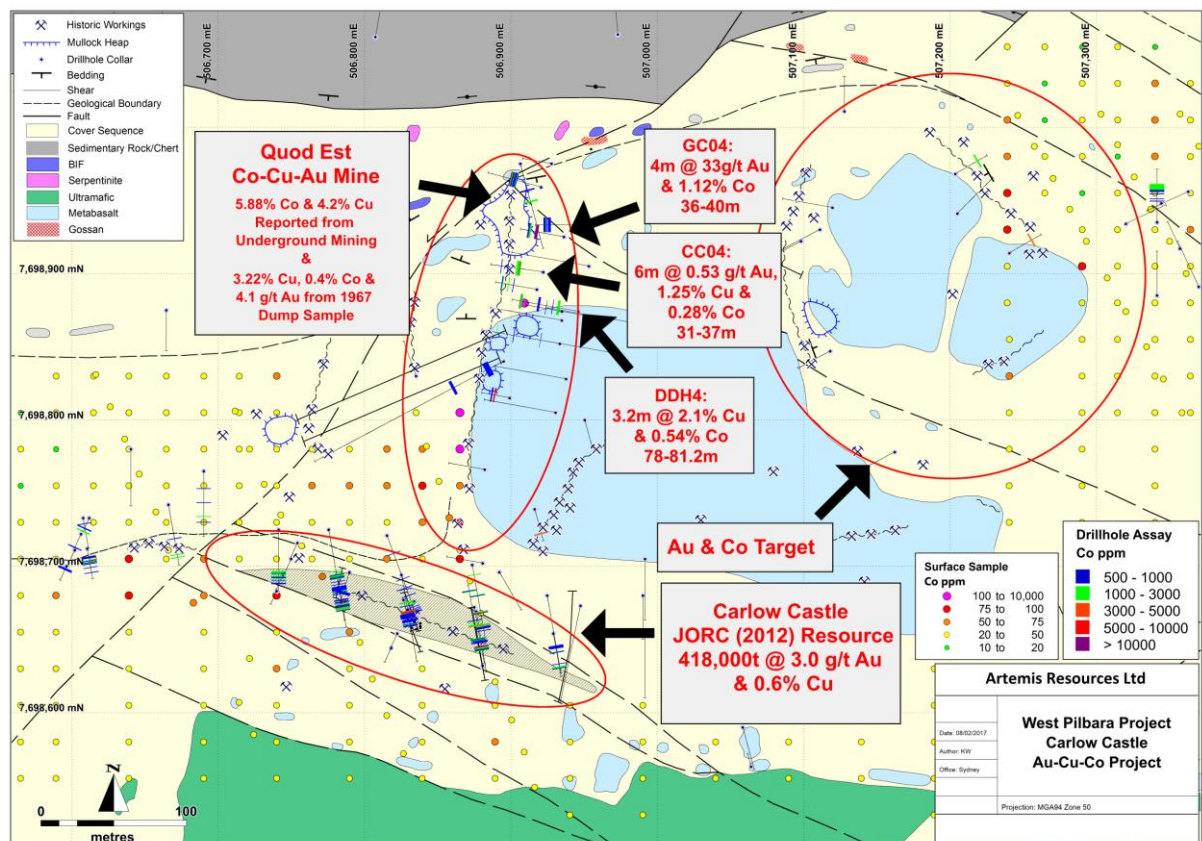
Artemis Resources Limited (“Artemis” or “the Company”) (ASX: ARVDA) is pleased to report a review of its 100% owned Carlow Castle Project 10km South east of Roebourne in the Pilbara Region of Western Australia (Figure 2), has identified significant cobalt mineralisation that has not previously been reported.

The cobalt mineralisation at Carlow Castle has been previously ignored as companies focused on the gold and/or copper mineralisation as single commodities. The review by Artemis shows that an integrated approach to mineralisation and an expansion of exploration is required to better define the Carlow Castle Project. Work to date highlights a potentially material asset that has remained under explored. The project has previously been the focus of gold and copper mining with production between 1880 and 1910. In more recent times drilling has identified a JORC (2012) Inferred Mineral Resource (figure 1) of **418,000 tonnes at 3.0 g/t Au and 0.6% Cu**, for total contained metal of **40,000 ounces of Au and 2,500 tonnes of Cu¹**.

The current gold copper resource also contains cobalt mineralisation, which has not been included in the resource estimation.

A review of data associated with the Quod Est Mine at Carlow Castle has identified waste dump samples from mine workings taken in 1967 that averaged **3.22% copper, 0.4% cobalt and 4.1 g/t gold** (WAMEX A10031).

Figure 1: Carlow Castle Project area with location of the Quod Est Cobalt mine and Carlow Castle gold/copper resource.



The maximum assay reported from 1971 samples from the Cobaltiferous underground ore of Cobaltite and Erythrite contained a maximum of **5.88% cobalt and 4.2% copper and 0.29% nickel** (WAMEX A12684). Other results reported were ore grading **14.81% copper, 2.21% cobalt, 0.27% nickel**; and **12.8% copper, 1.63% cobalt, 0.29% nickel**.

The best underground ore results from the Quod Est Mine reported from 1971 samples (WAMEX A12684) were **4.24% copper, 1% cobalt, 0.67% nickel**; and **14.17% copper, 0.4% cobalt, 0.36% nickel**; and **4% copper, 1.87% cobalt, 0.45% nickel**.

More recent drilling (Figure 1, Table 1) intercepted **4 metres @ 33.6 g/t gold and 1.12% cobalt** from 36 metres downhole in GC04; Drill hole DDH4 intersected **3.2 metres at 2.1% copper and 0.54% cobalt** from 78m downhole

¹ As per ASX announcement dated 30 June 2014

(Figure 1); and drill hole CC04 intersected **6 metres at 0.53 g/t gold, 1.25% copper and 0.28% cobalt** from 31 metres downhole depth (Figure 1).

The tenor of mineralisation and large [32 km²] 100% owned tenement makes the Carlow Castle Project a valuable asset for Artemis. Artemis also owns the surrounding tenements.

Figure 2: Fox Resources and Artemis Resources Projects

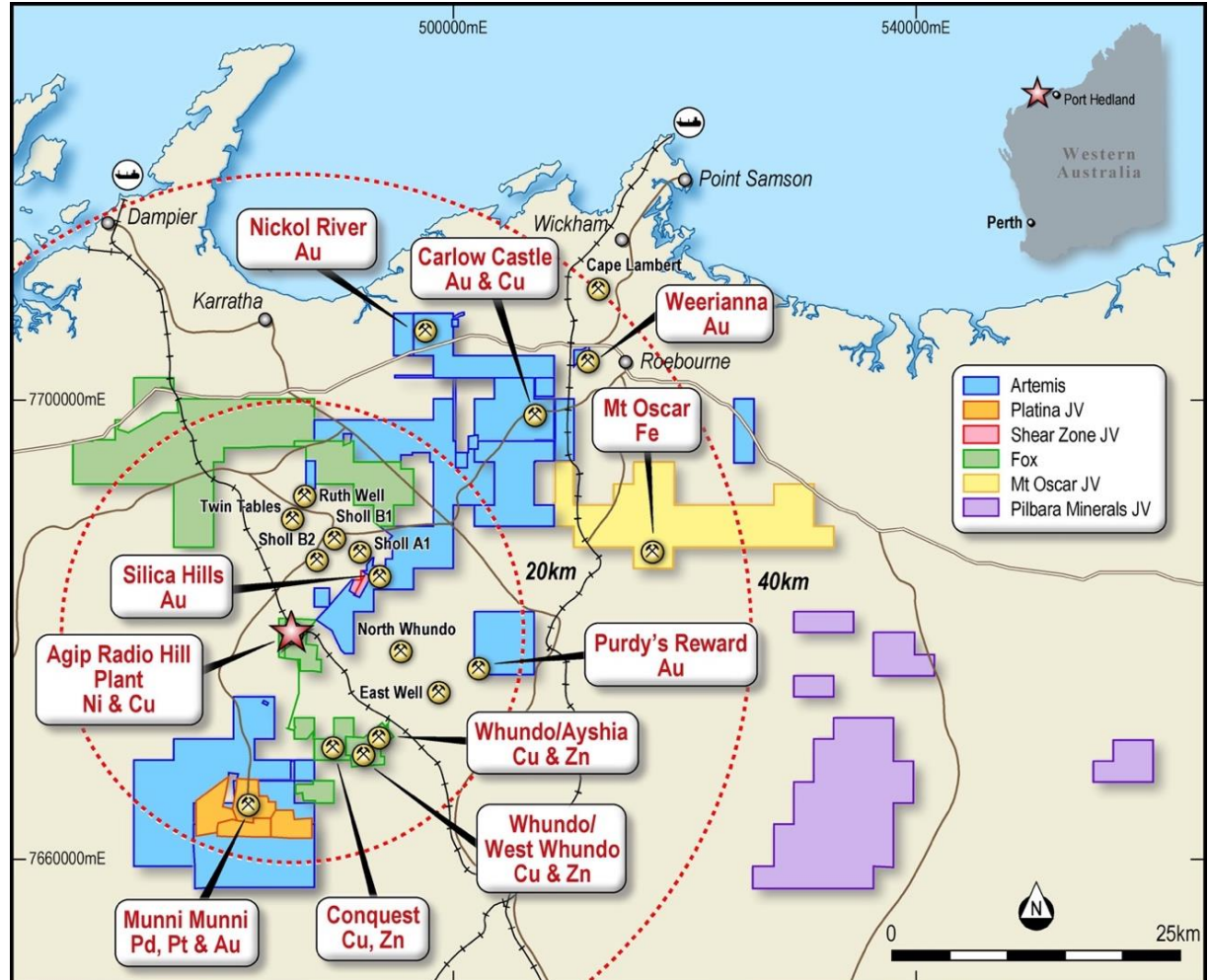


Table 1: Drillhole Collar Information – GC4, DDH4 and CC04

Hole ID	Type	Total Depth	Dip	Azimuth	East MGA94	North MGA94
GC04	RC	60	-60	280	506936	7698925
CC04	RC	72	-60	278	506921	7698901
DDH4	DD	91.7	-60	280	506946	7698874

BACKGROUND INFORMATION ON ARTEMIS RESOURCES

Artemis Resources Limited is a resources exploration and development company with a focus on its prospective West Pilbara (gold, base metals, platinum and platinum group elements) and Mt Clement-Paulsens (gold) project (Figure 1) in Western Australia. On 16 December 2016, Artemis announced the signing of a binding conditional agreement ("Agreement") with Fox Resources Limited ("Fox") for a 3 month exclusive option to buy their fully permitted AGIP 425,000tpa Radio Hill nickel and copper operations, processing plant and associated mining and exploration tenements with significant existing JORC 2004 and 2012 compliant resources of Nickel, Copper and Zinc situated within a 15 km radius of the Radio Hill plant, for a total consideration of \$3.5 million. The Radio Hill Plant is located 35 km south of Karratha in the Pilbara Region of Western Australia.

CONTACTS

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

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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 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 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
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.	- Historic drilling results reported are based on work completed Consolidated Gold Mining Areas (1969), Open Pit Mining (1985-1987), and Legend Mining (1995-2008). Compilation of this data has been completed based on Annual Exploration Reports available through WAMEX. - The completed historic drilling was designed to target a number of shear systems in the Carlow Castle area. - Sampling of diamond drillholes completed by Consolidated Gold Mining Areas was based on geological boundaries. Sampling of RC drilling completed by Open Pit Mining and Legend Mining was generally on a 1m basis, with some composite samples being collected. Although limited information is available regarding procedures implemented during this period, work completed by Artemis to date at Carlow Castle has validated much of this historic data. It is considered that the historic work was completed professionally, and that certain assumptions can reasonably be based on results reported throughout this period. - Geochemical results relate to soil sampling completed by Legend Mining between 1995 and 2008. This soil sampling was completed on a 25 x 25m grid, with samples collected from a depth of approximately 20cm, and sieved to between -5 and +2mm. Approximately 1.5 kilograms of sample was collected for analysis.
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).	No detailed specifications regarding the historic RC or diamond drilling drilling have been identified in historic Legend or Open Pit reports.
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 information regarding recoveries has been identified in the historic reports.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support	Historic geological logs are provided in historic exploration reports for a majority of the Open Pit and Legend drillholes. Analysis of this available

Criteria	JORC Code explanation	Commentary
	<i>appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i>	data is consistent with the geological sequence identified in recent drilling completed by Artemis at Carlow Castle, and is considered to be of an adequate quality.
Sub-sampling techniques and sample preparation	• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	• No details regarding sampling procedures implemented during historic drilling have been identified.
Quality of assay data and laboratory tests	• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <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> • <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>	• No details regarding laboratory or assay methods have been located for the historic Consolidated Gold Mining Areas sampling, with only results reported in the corresponding WAMEX report. • RC Samples submitted by Open Pit Mining Limited were assayed for Au, with a smaller subset of samples being analysed for Co, by Classic Laboratories Pty Ltd, using method EPAS. No further information is available on the Open Pit assay methodology, and original laboratory certificates are not provided with the historic reports. • RC and soil samples submitted by Legend Mining NL were analysed by Genalysis Laboratory Services Pty Ltd. These methods are considered appropriate for style of mineralisation defined within the Carlow Castle Project area: ○ No information on sample preparation procedures is available ○ B/AAS Au-Ag-Co-Cu-Fe-Mg-Ni-Zn (Aqua Regia Digest; Flame AAS Finish). • No details regarding standards, blanks, duplicates, or external laboratory checks have been identified from the historic Open Pit or Legend work.

Criteria	JORC Code explanation	Commentary
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.	- All significant intersections are verified by at least two company personnel. - Historic drilling and geochemical data has been compiled into a Microsoft Access database based on information provided in open-file reports available through WAMEX. Where possible this data has been checked against laboratory certificates provided in the historic reports.
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.	- Historic Legend Mining NL collar locations were reported on the AMG66 coordinate system. Artemis has converted these locations to MGA94 using GIS software (Mapinfo Coordinate Converter) before validating the data against recent GPS pick-ups of historic collar locations and historic drill plans. Legend drillhole locations are considered to be accurate to within +/- 5m. - Consolidated Gold Mining Areas and Open Pit Mining Limited collar locations were reported using local grid co-ordinates. These local grid co-ordinates were converted to MGA94 through registration of drill plans provided in historic reports, within GIS software (MapInfo). A limited number of these collar locations have been validated by recent GPS pick-ups of remnant historic collars on site. This validation has indicated that the registered collar locations are accurate to within +/- 5m. - No information regarding downhole surveys has been identified for the Open Pit or Legend drilling. - Location data for the Legend soil sampling was reported in the AMG84 coordinate system, and has been converted to MGA94 by Artemis using Mapinfo GIS software.
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.	- The completed historic drilling was non-systematic, and at a variable spacing. Drillholes were located along known mineralised zones, and often targeted below historic workings. - Open Pit Mining reported all results as 2 metre composites. No details of the methodology used for this compositing is available. - Legend Mining reported all assay results as single metre down-hole intervals. - Sampling of diamond drilling by Consolidated Gold Mining Areas was based on geological boundaries. - Soil sampling completed by Legend is in general at a 25 x 25m spacing, widening to 50 x 50m away from areas of known mineralization. This spacing is considered appropriate for the targeted mineralization.
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	- Historic drilling is generally located to intersect the target structures perpendicular to strike direction. - Legend soil sampling was completed on a regular grid pattern, and is considered appropriate for identifying broad soil anomalism

Criteria	JORC Code explanation	Commentary
	<i>mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	for the targeted mineralization.
Sample security	The measures taken to ensure sample security.	No information regarding sample security has been identified in the historic reports.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Data is validated upon up-loading into the master database. Any validation issues identified are investigated prior to reporting of results.

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 land tenure status	- 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. - 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.	- All information within this announcement pertains to E47/1797 – 100% owned by Artemis Resources Ltd. This tenement forms a part of a broader tenement package that comprises the West Pilbara Project. - This tenement is in good standing and no known impediments exist (see map provided in this report for location).
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	- The most significant work to have been completed historically in the Carlow Castle area was completed by Open Pit Mining Limited between 1985 and 1987, and subsequently Legend Mining NL between 1995 and 2008. - Work completed by Open Pit consisted of geological mapping, geophysical surveying (IP), and RC drilling and sampling. - Work completed by Legend Mining Ltd consisted of geological mapping and further RC drilling. - Legend also completed an airborne ATEM survey over the project area, with follow up ground-based FLTEM surveying. Re-processing of this data was completed by Artemis, and was critical in developing drill targets for the completed RC drilling. - Compilation and assessment of historic drilling and mapping data completed by both Open Pit and Legend has indicated that this data is compares well with data collected to date by Artemis. Validation and compilation of historic data is ongoing. - All exploration and analysis techniques conducted by both Open Pit and Legend are considered to have been appropriate for the style of deposit.

Criteria	JORC Code explanation	Commentary
Geology	• <i>Deposit type, geological setting and style of mineralisation.</i>	• The Quod Est and Carlow South prospects are both shear-hosted gold and base metal deposits, located on the northern margin of the Andover Intrusive Complex. Mineralisation is exposed in numerous workings at surface along numerous quartz rich shear zones. Both oxide and sulphide mineralisation is evident at surface associated with these shear zones.
Drill hole Information	• <i>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:</i> ◦ <i>easting and northing of the drill hole collar</i> ◦ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ◦ <i>dip and azimuth of the hole</i> ◦ <i>down hole length and interception depth</i> ◦ <i>hole length.</i> • <i>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.</i>	• Collar information for the reported drillholes is provided in the body of the report.
Data aggregation methods	• <i>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.</i> • <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> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	• All drillhole intervals reported are composed of either 2 metre down hole composite intervals, or 1m sample intervals. All intervals reported are length weighted. • A lower cutoff grade of 500ppm Co has been used. • No metal equivalent calculations are used in this report.
Relationship between mineralisation widths and intercept lengths	• <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <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>	• True widths of mineralisation have not been calculated for this report, and as such all intersections reported are down-hole thicknesses. • 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. Due to the moderately to steeply dipping nature of the mineralised zones, it is expected that true thicknesses will be less than the reported down-hole thicknesses.

Criteria	JORC Code explanation	Commentary
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 substantive exploration data is relevant at this time.
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.	Further work is required to verify the historic cobalt results identified. This work may include geophysical surveying, and further drilling, including twinning historic drillholes to verify the historic intersections.