



ABN 80 107 051 749

30 July 2013

Dear Shareholder,

RENOUNCEABLE RIGHTS ISSUE

I would like to personally thank you for your investment in Artemis Resources Limited and your support of the Company as we seek to deliver shareholder value from our diverse portfolio of quality mineral resources projects.

The Artemis team continues to work hard at prioritising and advancing our projects with a view to unlock their underlying value, and in recent months we have made significant progress, including:

- The Eastern Hills Antimony Project has been identified as a high priority, high value exploration opportunity;
- Field sampling program at Eastern Hills has produced high grade antimony, silver and lead, which will be the subject of a drilling program in Q3, this year;
- The aim of this program will be to upgrade the existing 410,000t-1.25Mt @ 1.5-1.9% Sb and 2.1-2.7% Pb Exploration Target to a maiden JORC compliant Resource;
- The Works Program for drilling at Eastern Hills has been approved and the Company has received a co-funding grant from the WA Government to help fund the program;
- At the West Pilbara Project, a number of high priority base and precious metals targets have been identified, including the Carlow Castle Project which is a priority copper-gold drill target;
- Artemis has entered into discussions with several potential strategic partners seeking to invest in the West Pilbara Project, through farm-in or joint venture style arrangements.

To continue to progress our operations and deliver value from our projects, the Company has a requirement to raise additional funds. As recently advised (refer ASX announcement, 24 July 2013), Artemis announced a renounceable pro rata offer ("Rights Issue") to shareholders to raise up to \$1,176,697 (before costs). The Rights Issue price is at a 40% discount to the five day volume weighted average price prior to announcing the rights issue.

Funds raised under the offer will be used primarily to undertake drilling at the highly promising Eastern Hills Antimony Project, to establish a JORC compliant Resource which will help the Company attract a strategic partner to assist in the development of this emerging deposit.

The Rights Issue will be offered under a prospectus lodged with ASIC on 24 July 2013, a copy of which will be sent to Eligible Shareholders. Eligible Shareholders should consider the prospectus carefully in deciding whether to participate in the offer, and will need to complete the personalised entitlement and acceptance form accompanying the prospectus to take up their entitlements. Eligible Shareholders may also apply for additional shares in excess of their entitlement.

Details of the Right Issue Offer

The offer applies to shareholders with a registered address in Australia or New Zealand (Eligible Shareholders) and will result in the issue of approximately 196,116,158 fully paid ordinary shares on the basis of 2 new shares for every 5 existing shares held as at 7:00pm (AEST) on 2 August 2013 (Record Date), at an issue price of \$0.006 per share, together with 1 free attaching 2014 Short-Dated Option and 1 free attaching 2016 Long-Dated Option for every 2 new shares subscribed for under the Rights Issue. The new shares issued pursuant to the Rights Issue will rank equally with existing fully paid ordinary shares in the Company.

The Rights Issue is partially and conditionally underwritten by Patersons Securities Limited for \$730,000.

The Company has a clear strategy to deliver value from its projects for the benefit of shareholders and the Board encourages all Shareholders to participate in the Rights Issue. We take this opportunity to thank Shareholders for their support and look forward to your continued support in the future.

Should you have any questions regarding the Rights Issue you may contact the Company on +61 2 9078 7670 or consult your stockbroker or professional adviser. A copy of the prospectus may be viewed at the Artemis Company website at www.artemisresources.com.au.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Guy Robertson', with a long horizontal flourish extending to the right.

Guy Robertson
Executive Director

The proposed use of funds under the Rights Issue is as follows:

Funds Available	Underwritten Amount (\$)	Full Subscription (\$)
Cash on hand	752,686	752,686
Funds raised under the offer	730,000	1,176,697
Total funds available	1,482,686	1,929,383
Use of Funds		
Eastern Hills Phase 1 Drilling	279,000	279,000
Eastern Hills Phase 2 Drilling	215,000	215,000
Eastern Hills Phase 3 Resource Expansion	-	288,000
Eastern Hills Scoping Study	-	50,000
General Working Capital	893,686	981,383
Costs of the Offer	95,000	116,000
	1,482,686	1,929,383

Indicative timetable for the Rights Issue:

Event	Date
Existing Shares quoted on “ex” basis	29 July 2013
Rights trading commences	29 July 2013
Record Date to determine Entitlements under the Offer 7:00pm(AEST)	2 August 2013 7:00pm (AEST)
Prospectus and Entitlement and Acceptance Forms dispatched to Eligible Shareholders (Opening Date)	9 August 2013 9:00am (AEST)
Rights trading ends	16 August 2013
Final date and time for receipt of acceptance and payment in full (Closing Date)	23 August 2013 7:00pm (AEST)
Trading on ASX in New Shares to commence	3 September 2013

These dates are indicative only. The Company reserves the right to vary the above dates, subject to ASX Listing Rules and the Corporations Act.

Capital structure before & after completion of Rights Issue (assuming full subscription):

	Shares	Options
Securities on issue at the date of the announcement of the Rights Issue	490,290,396	23,933,333
Securities offered under this Rights Issue	196,116,158	98,059,279 (Short-Dated Options) 98,059,279 (Long-Dated Options)
Total securities on issue post-completion of Rights Issue	686,406,554	220,049,491

Patersons Securities Limited will be paid a corporate advisory fee of \$30,000, a management fee of 1.5% of the total amount raised under the Rights Issue, an underwriting fee of 4.5% on the underwritten amount of \$730,000, and a shortfall placement fee of 6% on non-underwritten shortfall placed.