

DRILLING PLANNED TO TEST HIGH GRADE ZONE AT EASTERN HILLS ANTIMONY-LEAD PROJECT

- ✓ **EASTERN HILLS ANTIMONY-LEAD (Sb - Pb) PROJECT**
- ✓ **Drill planning at an advanced stage to test high grade Dugite East zone in October**
- ✓ **WA EIS co-funding awarded for drilling of the high grade Dugite East zone at Eastern Hills**
- ✓ **Research and development (R&D) rebate received for Eastern Hills Project**
- ✓ **Encouraging metallurgy test results from Eastern Hills antimony-lead project**
- ✓ **Discussions advancing with a number of potential Chinese partners**

Artemis Resources Limited (ASX: ARV) is pleased to announce that it is well advanced in its planning for drill testing of the high grade antimony-lead zone at Dugite East, part of the emerging Eastern Hills Antimony-Lead Project, located in the Ashburton region of Western Australia (Figure 3). The project is part of the Mt Clement Joint Venture – in which Northern Star Resources Ltd (ASX: NST) holds a 20% free carried interest (gold).

This second drill program by Artemis follows the successful 2013 program, and will consist of 4 reverse circulation (RC) drill holes for a total of approximately 460m and is planned for later this month. The program will test depth extensions and continuity of high grade surface rockchip samples, examine the antimony-lead mineralogical associations and potentially provide material for further metallurgical testing for extraction of higher grade antimony-lead.

WA Government EIS Co-funding Approved for Eastern Hills

The company was successful with its recent application for WA Government Exploration Incentive Scheme (EIS) co-funding for a 10 hole program to drill test the high grade Dugite Zone (Figure 1) at the Eastern Hills Antimony-Lead Project. Drilling under a similar grant in 2013 resulted in an inaugural Mineral Resource estimation for the Taipan Zone, in accordance with JORC (2012) guidelines¹, of 1.3Mt at 1.7% Sb and 2.5% Pb (22,400t contained Sb) using a 1.0% Sb cutoff grade (Table 1). The **EIS grant awarded in 2014 is for an amount up to approximately \$60,000.**

Artemis plans to use the EIS grant to complete the first stage of a multi-stage drilling program that will be completed incrementally over 1-2 years. Artemis plans to test portions of the latest Exploration Target, consisting of 1.7 - 4.0 Mt @ 1.8 - 3.2% Sb & 2.7 - 4.0% Pb², with this initial four hole RC program during the December quarter. The program is specifically designed to test the high grade Dugite Zone, identified by geological mapping and sampling in late 2013. The initial focus will be on confirming the sub-surface continuity of very high grade surface rock chip sampling results received thus far at Dugite East (Figure 1 and Figure 2). POW approval from the WA Department of Mines has been obtained for this full drilling program, planning is at an advanced stage and drill tenders are being assessed for final selection. Artemis wishes to take this opportunity to thank and acknowledge the WA Government for its EIS programs and the assistance that it provides to the exploration sector.

In addition to the EIS co-funding, Artemis recently received a **\$40,000 Research and Development (R&D) rebate** for R&D activities associated with studies undertaken in the 2013 financial year on antimony analysis and process technologies for the Eastern Hills Antimony-Lead Project. Given Artemis' increased R&D activities on the project in the 2014 financial year – including drilling, petrological and metallurgical studies - an **increased R&D rebate is anticipated to be received before the end of 2014.**

¹ As per ASX announcement dated 29 November 2013 "Maiden JORC Resource Achieved at Eastern Hills"

² As per ASX announcement dated 26 March 2014 "High Grades Boost Eastern Hills Exploration Target" - The potential quantity and grade of the Exploration Target is conceptual in nature, and there has so far been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

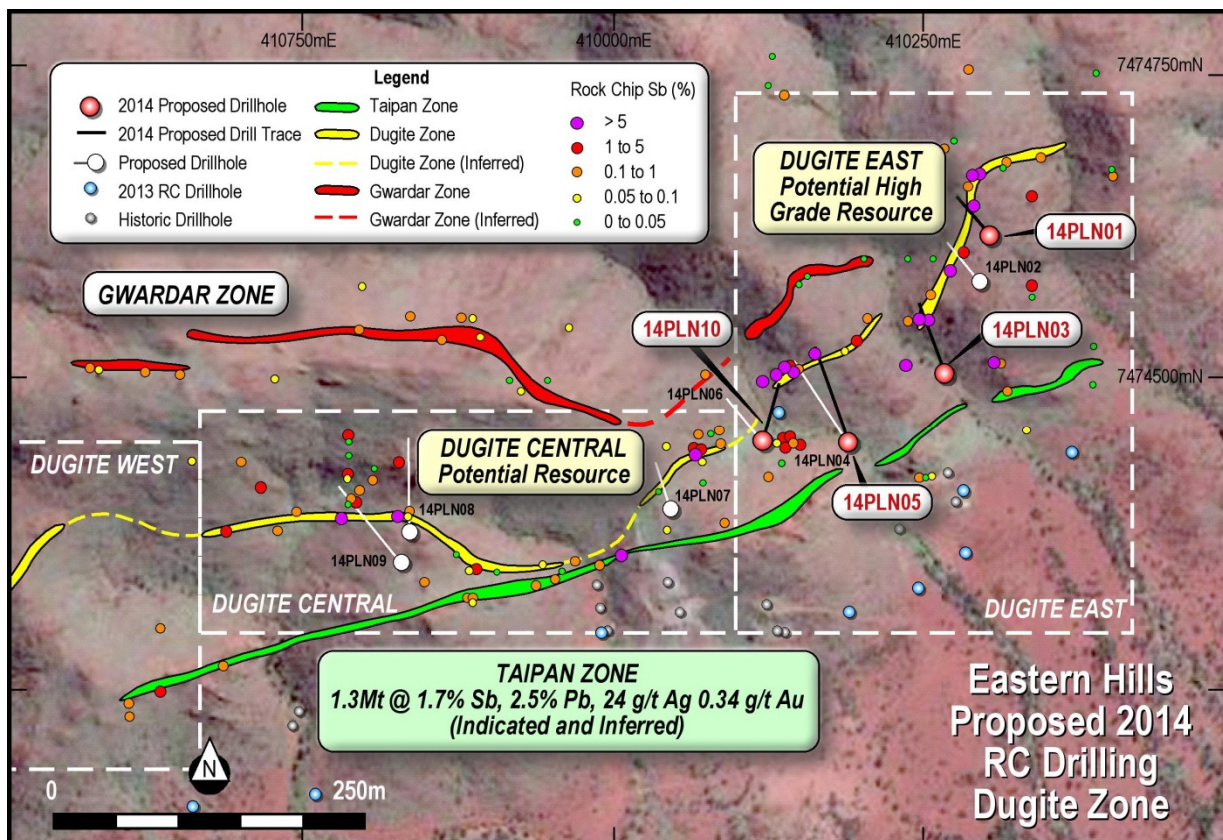


Figure 1: Eastern Hills – Proposed drilling on Dugite East Zone

Eastern Hills - Encouraging Metallurgy Results Received

Encouraging metallurgy results were received³ from samples collected from the initial phase of drilling completed at Eastern Hills during 2013. Limited preliminary metallurgical testing of three selective RC chip samples from the Taipan Zone resource¹ has confirmed encouraging results for the complex antimony-lead mineralisation at the Eastern Hills Antimony-Lead Project. It should be noted that RC chips are not expected to provide definitive metallurgical test results, considering the sample material is already heavily crushed in the RC drilling process. Sample testing was completed by **hrl**testing under the design and management of Core Process Engineering Pty Ltd in Brisbane.

Roughing and cleaning bench scale flotation tests were undertaken on two of the three samples, initially to **successfully produce a lead/antimony (sulphide) concentrate**. At this stage, the average grades in the Taipan Zone need to be optimised and improved to produce a smelter-ready concentrate. This issue could be alleviated if the very high grades reported previously at surface in the Dugite Zone can be confirmed by the scheduled drilling and a higher average grade resource established.

Further work is also required to fully assess the presence and ramifications of elements such as mercury and selenium, which were not assayed in Artemis' first round of drilling. However, encouragingly, limited analysis of anomalous antimony samples from surface rockchips in 2013 returned mercury results at (or below) 1ppm Hg.

Alkaline sulphide leaching proved to be a successful method of separating the antimony and lead products from the flotation concentrate, with greater than 97% extraction of antimony. This is likely to be a viable method of antimony separation. The pregnant leach liquor would require further processing to extract the antimony via electrowinning or precipitation/crystallisation. Antimony product options could include antimony cathode via electrowinning or sodium antimonite via precipitation/crystallisation of the pregnant leach liquor. Another possible flowsheet option is to pyrometallurgically treat the mixed lead/antimony product in a fuming furnace to fume off the antimony (and other deleterious elements) into a dust and then treat that dust in a hydrometallurgical plant to make an antimony product.

³ As per ASX announcement dated 24 July 2014 "Quarterly Activities Report – June 2014"

More definitive mineralogical and metallurgical testing is required to optimise the latest metallurgical study. This will be targeted once diamond drill core is available from the proposed phase 2 Taipan Zone drilling program and from the higher grade Dugite Zone. At that stage, more detailed scoping engineering studies will develop capital and operating cost scenarios for the most likely flowsheet options.

Eastern Hills Project - Background

Artemis' 2013 drilling program focused on the Taipan Zone (Figure 1) and resulted in a maiden Indicated and Inferred Mineral Resource estimated in accordance with JORC (2012) guidelines of: **1.3Mt at 1.7% Sb and 2.5% Pb (22,400t contained Sb)¹** using a 1.0% Sb cutoff grade (Table 1).

Taipan Zone	Tonnes (Mt)	Sb (%)	Pb (%)	Ag (g/t)	Au (g/t)	Contained Sb (t)	Contained Pb (t)
Indicated	0.81	2.0	3.1	26	0.41	15,900	25,200
Inferred	0.50	1.3	1.5	16	0.20	6,500	7,500
Total	1.31	1.7	2.5	24	0.34	22,400	32,700

Table 1: Eastern Hills (Taipan Zone) Mineral Resource – Indicated and Inferred – November 2013

Exploration mapping and rock chip sampling over the area to the north of the Taipan Zone was undertaken in the second half of 2013 and identified a number of sub-parallel alteration zones with similar characteristics and mineral associations as the Taipan Zone. The three new zones identified were named the Dugite, Gwardar and Tiger Zones (Figure 2). While anomalous antimony and lead were encountered in each of the three zones, the Dugite Zone showed the best continuity and quantum of mineralisation with **exceptional grades achieved, up to 35.7% Sb, 36% Pb, 1,500g/t Ag and 6.80g/t Au.**

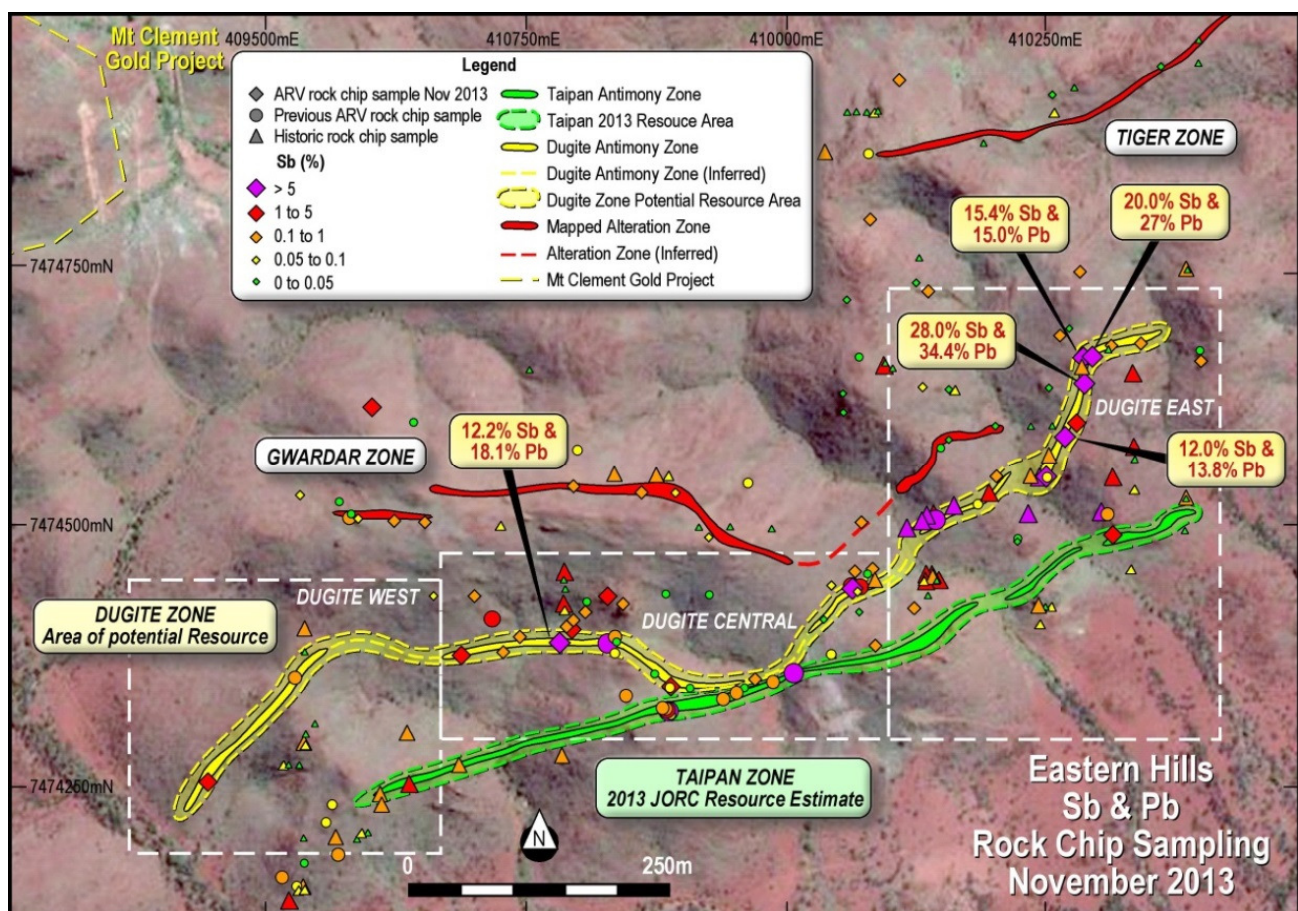


Figure 2: Eastern Hills - Latest sampling along Dugite Zone⁴



The high grade antimony-lead values are concentrated at the eastern end of the Dugite Zone, hence called Dugite East (Figure 2). The latest high grade results⁴ collected from Dugite East were up to 28% Sb and 34.4% Pb (Figure 2) and provide further strong support for both (1) the existence of a very high grade zone at Dugite, and (2) the overall expansion potential of the Eastern Hills Project area. The proposed drilling program for October will test the Dugite East zone **to determine whether the high grades identified at surface continue at depth.**

The importance of significant high grade (>10% Sb) antimony results at Dugite East is highlighted by the comparison with average grades of existing antimony mines and development projects elsewhere in Australia (Table 2).

The range of contained antimony estimated in the Exploration Target is from 32,000 to 128,000 tonnes². This broad range reflects the uncertainty of both the continuity of mineralisation and the quantum of grades at depth below the surface rockchip sampling along the Dugite Zone. If the maximum contained antimony of the new Exploration Target (128,000t Sb) were to be confirmed from drilling and subsequent resource estimation, this would have a significant impact on the Eastern Hills project, potentially lifting it to become the largest antimony resource in Australia (Table 2).

Project	Owner	Location	Tonnage (Mt)	Sb grade (%)	Sb Content (t)	Status
Hillgrove	Bracken	NSW	6.3	1.6	101,000	Development
Costerfield	Mandalay	Vic	1.4	4.0	54,000	Production
Eastern Hills	Artemis	WA	1.3	1.7	22,400	Exploration
Wild Cattle Creek	Anchor	NSW	1.0	1.8	18,800	Exploration
Blue Spec	NorthWest	WA	0.4	1.3	5,200	Exploration

Table 2: Australian antimony projects – Reported resources

Potential re-rating of Eastern Hills Project
Source: Company announcements/websites

Eastern Hills - Corporate

Since identifying the Eastern Hills deposit as a potentially significant antimony-lead resource in late 2013, Artemis has been actively seeking potential project partners with experience in the antimony sector, to assist with advancing exploration towards a possible development decision. A number of companies have since been engaged in discussions with the Company, with continued interest particularly from Chinese groups looking to source additional antimony output. Any significant progress with these discussions will be reported to the market as, and when, appropriate according to continuous disclosure requirements.

⁴ As per ASX announcement dated 5th March 2014 "High Antimony Grades Expand New Zone at Eastern Hills"

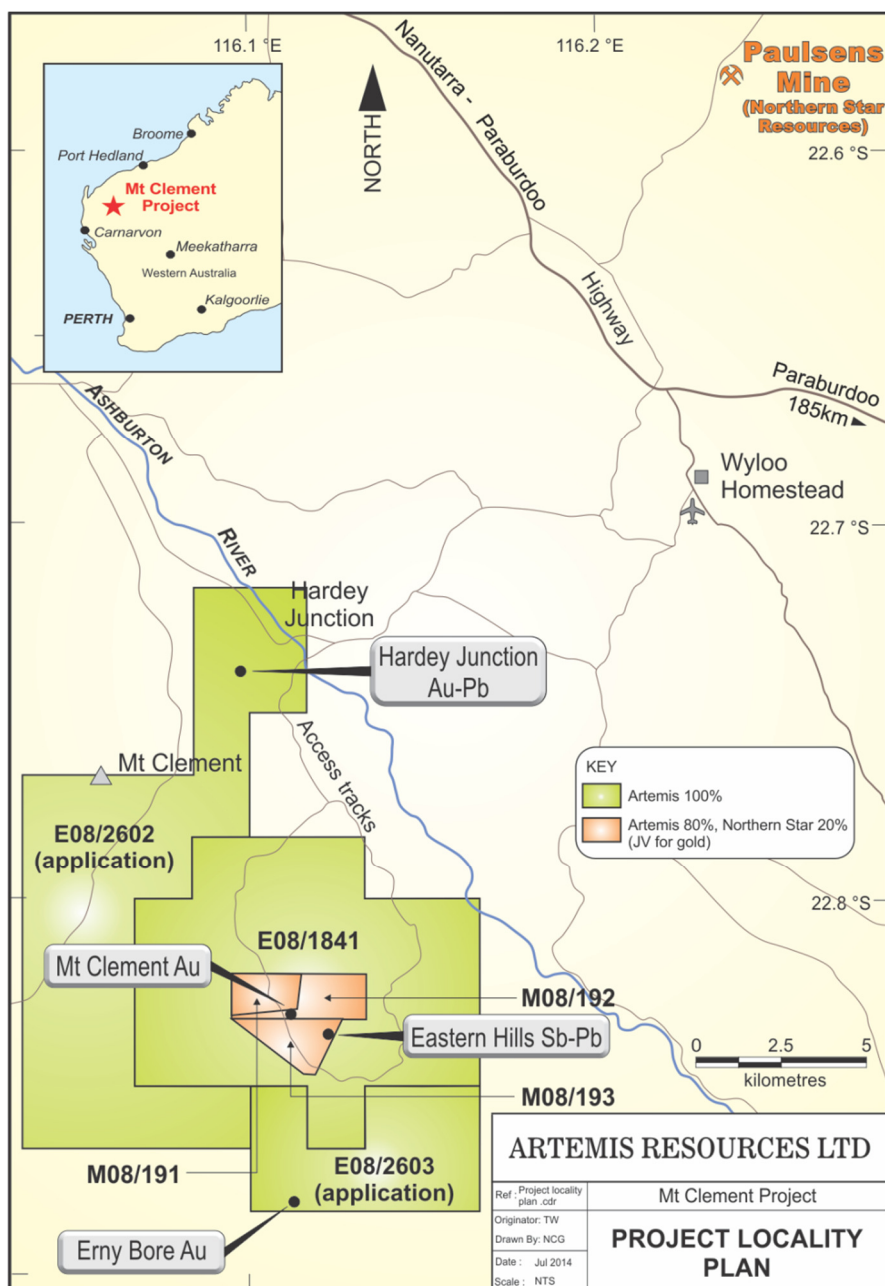


Figure 3: Eastern Hills – Location map and tenure



ABOUT ARTEMIS RESOURCES

Artemis Resources Limited is a resources exploration company with a focus on its prospective Eastern Hills (antimony-lead), Mount Clement (gold), Yandal (gold) and West Pilbara (gold and base metals) projects in Western Australia. These projects have significant exploration potential and close proximity to existing important deposits or producing mines. Artemis aims to develop a significant metal inventory through exploration and acquisitions which have the potential to become mines and create shareholder value.

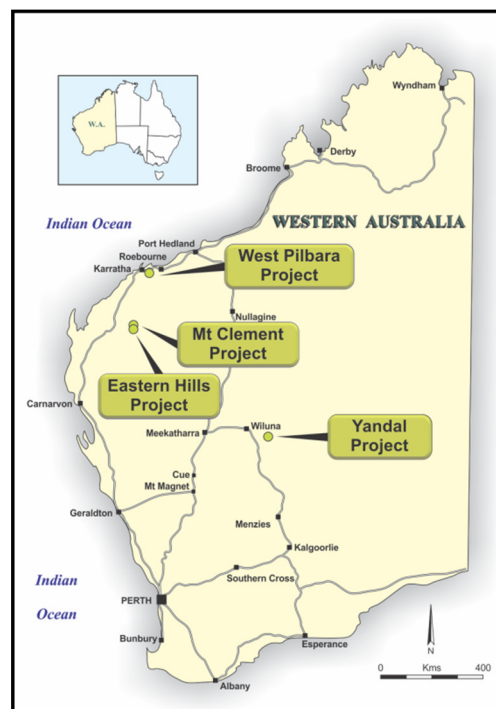


Figure 4: ARV Project Locations

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Competent Person Statements

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

The information in this document that relates to Mineral Resources and Exploration Targets is extracted from the reports entitled "Maiden JORC Resource Achieved at Eastern Hills" created on 29 November 2013, and "High Grades Boost Eastern Hills Exploration Target" created on 26 March 2014, respectively, and are both available to view on www.asx.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of the estimate of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

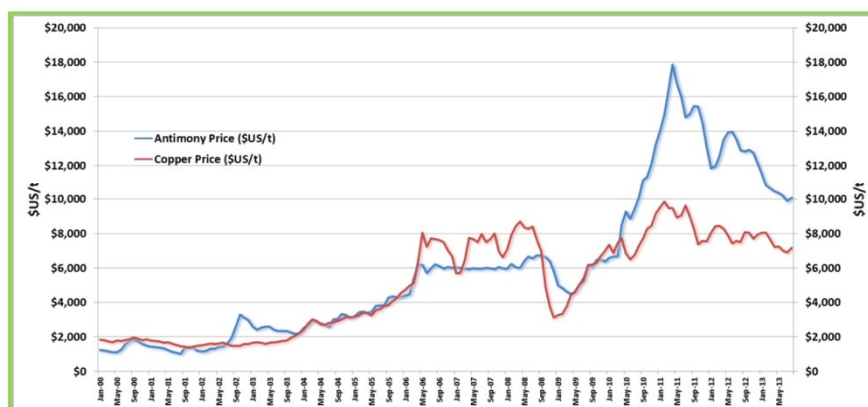
Forward Looking Statements

This report contains forecasts, projections and forward looking information. Such forecasts, projections and information 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.

ANTIMONY USAGE AND MARKETS

ANTIMONY USES: Antimony (Sb) is a specialty or minor metal, commonly found in nature in its sulphide form of stibnite. Saleable products include antimony metal (ingot) and antimony trioxide (a white powder). Its uses include:

- fire retardant agent
- hardening/strengthening agent in lead & zinc alloys
- lead batteries, ammunition
- catalyst in PET (plastics) production
- ceramics



Sources: LME, Metal Pages

ANTIMONY PRICE: Antimony prices have remained well above long term averages, currently trading around US\$10,500/t. **Antimony price is ~50% higher than copper price** (US\$7,000/t).

Global antimony output has been dominated by the Chinese for many years. However, with lower output from China since 2009, new sources of antimony are required.

- ✓ Global output rose almost 70% from 2003 to 2008 and has stabilised post GFC
- ✓ Despite post GFC falls, China dominates global production (~85% in 2011 - USGS)
- ✓ China imposed export quotas on commodities such as antimony over recent years
- ✓ China production decreases reinforce the need for new antimony sources
- ✓ Non-Chinese off-takers are searching for stable no-Chinese sources of antimony
- ✓ Chinese companies are acquiring offshore antimony projects
- ✓ Alternative output currently from high sovereign risk countries

This reliance on China as a source of global antimony has led to the European Commission placing antimony on its list of 14 Critical Raw Materials, based on supply risk, economic importance and environmental country risk.

ANTIMONY M&A: Over the past four years some substantial acquisitions have been completed which affirm the strategic nature of antimony. These deals have included:

- September 2009 – Hunan Nonferrous Metals Corp. acquired 100% of Canadian Beaver Brook Antimony Mine Inc for C\$29.5M.
- May 2011 - China Shandong Jinshunda Group Co Ltd acquired 96% of ASX-listed Anchor Resources for A\$15.5M to secure ownership of the Bielsdown antimony deposit - NSW (1,060,000t @ 1.77% Sb)¹
- March 2013 – Bracken Resources Pty Ltd acquired the Hillgrove gold-antimony deposit (6,349,000t @ 1.59% Sb and 4.3 g/t Au)² for \$30M from ASX-listed Straits Resources Ltd
- May 2013 – AIM-listed Tri-Star Resources PLC acquired the Bald Hill antimony deposit from Canadian Portage Minerals Inc (exploration target of 725,000–1,000,000t range grading 4.11% to 5.32% Sb) for a scrip only deal worth £3.5M³

¹ Anchor Resources Ltd (ASX:AHR) June 2011 Quarterly Report released to the ASX 29th July 2011

² Straits Resources Ltd (ASX:SRQ) announcement released to the ASX 11th March 2013

³ Tri-Star Resources PLC (AIM:TSTR) announcement released to AIM 2nd May 2013