

Simon Tonkin

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**Artemis Resources (ARV) - \$0.004/sh - Maiden JORC Antimony Resource Exceeds Expectations**

## Event Impact - Materials Research

**PATERSONS**  
THE AUSTRALIAN STOCKBROKER

**Artemis Resources (ARV)**

**\$0.004**

**Recommendation: Spec Buy**

**Analyst: Simon Tonkin**

**Tel: +61 8 9225 2816**

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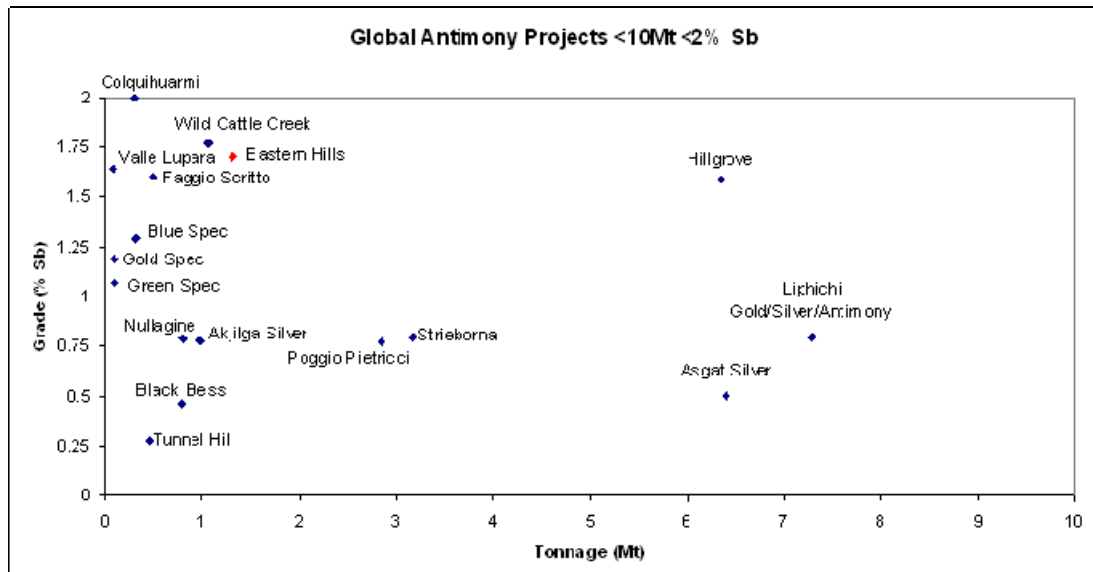
### Event

- Artemis Resources (ARV) announced its Maiden JORC resource estimate for the Taipan zone at its Eastern Hills Antimony-Lead Project located in the Ashburton region of Western Australia.
- The resource totaled 1.3Mt at 1.7% Sb, 2.5% Pb, 24g/t Ag and 0.34g/t Au and includes an indicated component of 0.8Mt at 2% Sb, 3.1% Pb, 26g/t Ag and 0.41g/t Au
- The Taipan Zone has an 850m strike length, remains open at depth and to the east.
- Potential for resource additions with the recently discovered Dugite, Tiger and Gwardar Zones
  - Dugite Zone of high grade Sb-Pb-Ag-Au results expected to add to resource inventory
  - Potential mineralisation extends for another 2km strike length in these zones
- Scoping Study to commence early 2014

### Impact

- **Maiden Resource Exceeds Expectations:** The maiden JORC resource exceeded the previous exploration target range of 410kt-1.25Mt at 1.5-1.9% Sb. We calculate at current prices this is equivalent to a 6g/t gold deposit and has a Sb Eq. grade of 2.4% Sb. Positively, 71% of the Mineral Resource is in the indicated category. The project is larger than the Wild Cattle Creek project which was purchased by Chinese interests for \$15.5m in 2011 (Figure 1). The larger Hillgrove deposit was sold for \$35m earlier this year.

**Figure 1 – Global Antimony Projects <10Mt <2% Sb**



- Significant Blue-Sky: Higher Grades Identified:** We believe there is excellent potential to find additional zones of mineralisation within close proximity to the main Taipan zone. Recently through mapping and rock chip sampling, ARV has discovered an additional three potential zones of mineralisation. As part of this sampling ARV has identified higher grade samples which include: 35.7% Sb, 29% Pb and 1,335g/t Ag; 5.4% Sb, 9.2% Pb, 277g/t Ag and 1.53g/t Au; and 1.1% Sb, 3.9% Pb, 44g/t Ag and 3.36g/t Au. A number of high grade historical rock chip samples validate these recent results. These new zones, which are located within 500m of the main Taipan zone, have a combined strike length of 2.8km which is 3.5 times longer than the current Taipan zone (800m). Excellent very high grade results, superior to those encountered at surface along the Taipan zone, support the exploration prospectivity of the project.
- Significant News flow Expected:** ARV has a clear timeline for the development of its Eastern Hills Antimony-Lead project. By early next year the Company is expected to release a scoping study. We expect ARV to examine a low upfront capex scenario considering the difficulty in financing projects. The project is well located close to existing infrastructure such as power and water.

**Figure 2 - ARV Proposed Development Timeline**

	ACTIVITY	2013				2014				2015	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
PHASE 1	Identify Exploration Target	✓									
	Drill Planning		✓								
	Drill Program #1 - RC			✓	✓						
	Drill Results #1										
	Target Generation - New Zones										
	JORC Resource										
	Scoping Study										
PHASE 2	Drill Program #2 - RC & DDH										
	Drill Results #2										
	Metallurgical Testing										
	Resource Upgrade										
	Pre-feasibility Study										

- Please refer to our initiation report dated 19 November 2013 for more details.
- We rate ARV a Spec Buy.

***Disclosure: The preparation of this report was funded by the Company in accordance with the terms of an agreement with Patersons. This report was prepared by Patersons and not by the Company.***

**Simon Tonkin**

Senior Resources Analyst

D: +61 8 9225 2816 | M: +61 400 761 382 | F: +61 8 9421 1335 | E: STonkin@psl.com.au | W: www.psl.com.au

**Patersons Securities Limited** AFSL No. 239 052  
 Level 23, Exchange Plaza, 2 The Esplanade PERTH WA 6000  
 GPO Box W2024, Perth, WA 6846



**1300 582 256**  
**patersons@psl.com.au**  
**www.psl.com.au**

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### Research

Rob Brierley – Head of Research	Phone: (+61 8) 9263 1611	Email: rbrierley@psl.com.au
Tony Farnham – Economist	Phone: (+61 2) 9258 8973	Email: tfarnham@psl.com.au
Andrew Quin – Research Strategy Coordinator	Phone: (+61 8) 9263 1152	Email: aquin@psl.com.au
Kien Trinh – Senior Quantitative Analyst	Phone: (+61 3) 9242 4027	Email: ktrinh@psl.com.au

### Metals and Mining

Tim McCormack – Resources Analyst	Phone: (+61 8) 9263 1647	Email: tmccormack@psl.com.au
Simon Tonkin – Senior Resources Analyst	Phone: (+61 8) 9225 2816	Email: stonkin@psl.com.au
Matthew Trivett – Research Analyst	Phone: (+61 7) 3737 8053	Email: mtrivett@psl.com.au

### Oil and Gas

Alexis Clark – Oil and Gas Analyst	Phone: (+61 3) 9224 4448	Email: aclark@psl.com.au
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### Industrials

Digby Gilmour – Industrial Analyst	Phone: (+61 8) 9263 1664	Email: dgilmour@psl.com.au
Marcus Hamilton – Industrial Analyst	Phone: (+61 8) 9225 2836	Email: mhamilton@psl.com.au
Ben Kakoschke – Industrial Analyst	Phone: (+61 3) 9242 4181	Email: bkakoschke@psl.com.au

### Institutional Dealing

Dan Bahen	Phone: (+61 8) 9263 1274	Email: dbahen@psl.com.au
Michael Brindal	Phone: (+61 8) 9263 1186	Email: mbrindal@psl.com.au
Artie Damaa	Phone: (+61 2) 8238 6215	Email: adamaa@psl.com.au
Paul Doherty	Phone: (+61 3) 8803 0108	Email: pdoherty@psl.com.au
Trent Foxe	Phone: (+61 2) 8238 6265	Email: tfoxe@psl.com.au
Peter Graham	Phone: (+61 3) 9242 4129	Email: pgraham@psl.com.au
Chris Kelly	Phone: (+61 3) 9242 4078	Email: ckelly@psl.com.au
Steven Kestel	Phone: (+61 8) 9263 1631	Email: skestel@psl.com.au
Jeremy Nugara	Phone: (+61 3) 8803 0166	Email: jnugara@psl.com.au
Phil Schofield	Phone: (+61 2) 8238 6223	Email: pschofield@psl.com.au
Josh Welch	Phone: (+61 8) 9263 1668	Email: jwelch@psl.com.au
Rob Willis	Phone: (+61 7) 3737 8021	Email: rwillis@psl.com.au
Sandy Wylie	Phone: (+61 8) 9263 1232	Email: swylie@psl.com.au

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