

**Completion of Acquisition of Metallurgical Plant, Resource Base and  
Tenement Package in the Pilbara  
and  
US\$2million Overseas Institutional Funding.**

Artemis Resources Limited (ASX:ARV) ("Artemis"), the Australian listed mining company, is pleased to announce it has completed the acquisition of the Radio Hill Nickel/Copper/Cobalt Metallurgical plant, the Radio Hill Mine and its JORC compliant resource base held within a 495 km<sup>2</sup> tenement package in the Pilbara Region of Western Australia. This transaction is part of the Company's strategy of creating a "Hub and Spoke" operation for the first time in the Karratha area with the aim of creating a multi-metal production company and unlocking the growing cobalt, copper, nickel, zinc, gold, palladium, platinum and iron ore potential of the region. The significant tonnages of waste rock stockpiles at Radio Hill could also prove valuable as pre-mined quarry material for the new road and infrastructure works planned for the region over the coming years.

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**HIGHLIGHTS:**

- **Completion of the acquisition of the Radio Hill Nickel/Copper/Cobalt plant.**
  - Acquisition price of 28 million escrowed Artemis shares plus assumption of liabilities.
- **Acquisition of 495 km<sup>2</sup> tenement package in the Pilbara and acquisition of significant JORC compliant nickel, copper, cobalt, zinc and iron ore deposits<sup>1</sup>.**
- **Whundo copper sales<sup>2</sup> of ~\$100,000/month will now come to Artemis.**
- **Strategic for Artemis's Carlow Castle Cobalt Project.**
- **A\$2.66 million working capital and development funding received by way of a 16 month Loan Agreement and Convertible Note:**
  - Convertible price fixed at 12 cents per share.
  - No repayments or conversion for the first 2 months.
  - Company, at its election, can pay monthly repayments in cash if the Artemis share price is below 12 cents per share.

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Artemis's Executive Chairman, David Lenigas, said;

*"For the first time in the Karratha Region, we now have a company that controls a large tenement package around a "Hub and Spoke" play with the key Radio Hill multi-metals metallurgical processing plant being at the centre of a number of growing cobalt, nickel, copper, zinc and gold deposits. It should also add significant value to the potential development of our new Carlow Castle Cobalt discovery. In addition, this acquisition brings to book, some exciting iron ore deposits and a large quarry inventory at the Radio Hill Mine site that can contribute considerably to the new road and mining infrastructure being planned for the Karratha Region."*

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<sup>1</sup> As per ASX announcement dated 16<sup>th</sup> December 2016

<sup>2</sup> As per ASX announcement dated 30<sup>th</sup> March 2017

**Artemis Resources Limited**

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**Directors:**

**Executive Chairman**

David Lenigas

**Executive Directors**

Ed Mead

Alex Duncan-Kemp

**Non-Executive Directors**

Campbell Baird

**Company Secretary:**

Guy Robertson

**Corporate Information**

ASX Code: ARV



**Radio Hill Acquisition:**

Artemis Resources Limited has acquired all of Fox Resources Limited’s (“Fox”) Western Australian mining and exploration assets for 28 million Artemis shares to Fox, which will be escrowed for three months. In addition Artemis will assume the remaining liabilities of about \$920,000 in the asset holding company. This final and definitive acquisition price is significantly different from the previously announced acquisition price of \$2 million in cash and 20 million Artemis shares.

**Acquisition Funding:**

In order to fund the above acquisitions, in the least dilutive way for shareholders at this point in time, the Company has entered into an US\$2million (~A\$2.66million) Funding Agreement by way of the issue of Convertible Securities with an aggregate face value of US\$2,000,000 (“Loan Agreement”) with a consortium of investors arranged by London based institution Riverfort Global Capital Ltd (the “Investors”). The Loan Agreement has been entered into in order to secure the acquisition and provide working capital for a significant long-term asset for the Company and to provide additional working capital to assist in the continued growth of the business of the Company.

The US\$2million (“Principal Amount”) has a maturity date of sixteen months, with a Commitment and Implementation Fee totaling 9%. The Convertible Securities have a fixed conversion price of A\$0.12 per fully paid ordinary share and, subject to certain conditions in the Funding Agreement and compliance with the ASX Listing Rules, at the funder’s election. There will be no repayments required by Artemis during the first two months, and if the Artemis share price is below A\$0.12 per share for any month for the loan period from month 3 to month 16, Artemis can elect to make the repayment for any month in cash at 115% of the monthly redemption amount. If Artemis elects, it can pay the monthly repayment in Artemis shares calculated as the lower of the A\$0.12 fixed conversion price or at 93% of the lowest daily VWAP during the 10 trading days immediately prior to the monthly conversion notice date. Where required Artemis will seek shareholder ratification or approval for the conversion and issue of shares under the Funding Agreement.

The Company will also issue the Investors 4,400,000 options at an exercise price of A\$0.15 (with an expiry date 3 years from grant) and 4,000,000 Artemis shares as share collateral to secure Artemis’ obligations under the Funding Agreement. These securities were issued under the Company’s existing 15% capacity under Listing Rule 7.1 and shareholder approval was not sought for the issue.

**BACKGROUND INFORMATION ON ARTEMIS RESOURCES:**

Artemis Resources Limited is a resources exploration and development company with a focus on its prospective Pilbara (gold, cobalt, iron ore, base metals, platinum, platinum group elements, iron ore) and the Mt Clement-Paulsens (gold) project in Western Australia. Artemis owns the the fully permitted 425,000tpa Radio Hill nickel and copper operations, processing plant and associated mining and exploration tenements with significant existing JORC 2004 compliant resources of Nickel, Copper and Zinc situated within a 15 km radius of the Radio Hill plant. 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.com.au](http://www.artemisresources.com.au) or contact:

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