

ASX Announcement

24 April 2013

Eastern Hills: High Grade Results, Drill Program to Follow

About Artemis Resources

Artemis Resources is an ASX-listed mineral exploration company with a focus on gold and base metals in Western Australia.

Key Projects

Mt Clement – gold & antimony (WA)
Yandal – gold (WA)
West Pilbara – gold/base metals (WA)

Artemis' corporate strategy is to maximise shareholder returns through a combination of exploration success and quality project acquisitions.

The Company's focus on gold and base metals is viewed as an important growth strategy for the Company.

Australian Securities Exchange

Code: ARV

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Highlights

- ✓ Field reconnaissance confirms Eastern Hills antimony mineralisation in WA
- ✓ High grade silver (up to 110g/t), lead (to 16%), and accessory gold (to 0.7g/t) in rockchips, enhance antimony zone prospectivity
- ✓ Exploration target in the range of 410,000 to 1,250,000 tonnes at a grade range of 1.5-1.9% Sb and 2.1-2.7% Pb
- ✓ RC drilling proposal submitted for approval
- ✓ 3,000m drilling program to validate previously defined exploration target
- ✓ Initial objective to confirm a JORC compliant resource
- ✓ Antimony prices remain strong, currently at ~US\$10,500 per tonne

Artemis Resources Limited (ASX: ARV) is pleased to announce results of its recent exploration activities and details of its proposed drilling program for the Eastern Hills antimony-lead (Sb-Pb) prospect in the Ashburton region of Western Australia.

Eastern Hills is adjacent to the Mt Clement Gold Project (ARV 80%) (Figure 1) - a joint venture with Northern Star Resources Ltd (ASX: NST 20%), operator of the nearby Paulsens Gold Mine. Production at Paulsens is forecast to rise to 100-115,000oz gold in calendar year 2013 on the back of recent exploration success (See *NST ASX Announcement 11 March 2013*). The Mt Clement gold deposit contains an Inferred Resource of 1.13Mt at 1.8g/t Au and 17.0g/t Ag (64,000oz gold and 618,000oz silver contained) that is compliant with the JORC Code (2004)¹.

As announced on 16 January 2013, Artemis has identified historical antimony-lead mineralisation at Eastern Hills, located less than 1km SE of the Mt Clement gold deposit (Figure 2).

¹ Mt Clement Inferred Resource previously reported in ASX Announcement dated 26 July 2011

1. EASTERN HILLS ANTIMONY-LEAD DEPOSIT

In 1997, Taipan Resources NL defined a zone of lead-antimony mineralisation based on 19 reverse circulation (RC) holes². As detailed in ARV's recent ASX release³, an initial **exploration target in the range of 410,000 to 1,250,000 tonnes at a grade range of 1.5-1.9% Sb and 2.1-2.7% Pb** has been outlined at Eastern Hills. This exploration target also contains precious metal credits of around 0.22g/t gold and 26g/t silver. Substantial commodity price increases over recent years (antimony price is up almost 500% since the 1997 discovery of Eastern Hills) have led to a re-evaluation of this prospect's potential.

For this exploration target, the potential quantity and grade is conceptual in nature, there has so far been insufficient exploration to define a Mineral Resource in compliance with the JORC Code and it is uncertain if further exploration will result in the determination of a Mineral Resource as defined by the JORC Code.

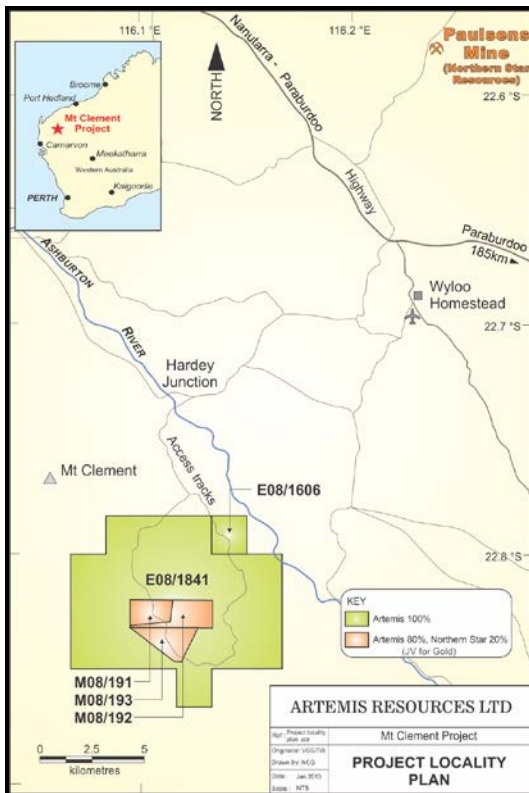


Figure 1 – Mt Clement Project - Location map

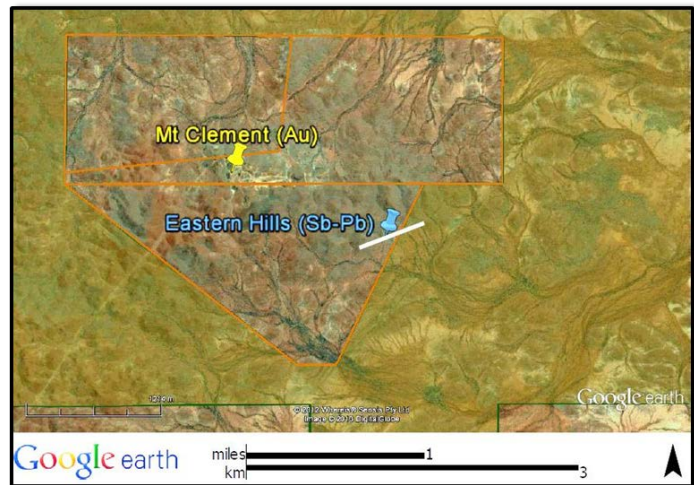


Figure 2 Eastern Hills location on Google Earth image

The Eastern Hills antimony-lead deposit consists of a main lode zone of mineralisation up to two metres wide associated with a fault structure, outcropping over a strike length of at least 600 metres. The dominant fault structure trends ENE (Figure 3) and dips steeply (80 degrees) to the SSE. The antimony-lead mineralisation occurs as massive sulphides bounded by a broader zone of disseminated sulphides, forming a mineralised zone up to ~15 metres wide.

The mineralisation contains high levels of antimony and lead, as well as minor gold and silver, associated with a linear quartz vein represented at surface by a thin, outcropping gossanous zone.

² Eastern Hills Project Resource Report, Taipan Resources NL internal report, November 1997

³ Mt Clement Review Reveals Significant Antimony Exploration Target, ASX releases dated 16 and 18 January 2013

2. FIELD RECONNAISSANCE

Artemis recently completed a short field reconnaissance program at Eastern Hills to:

- ✓ confirm the extent of the antimony-lead mineralised zone;
- ✓ finalise proposed drill sites; and
- ✓ review access options.

The antimony-bearing quartz structure at Eastern Hills is closely associated with a prominent ENE-WSW trending ridge, hosted predominantly by variably altered and silicified metasediments. A preliminary campaign of rockchip sampling was undertaken on the main lode zone, as well as the adjacent wallrock. Thirteen samples were taken from the main lode zone in addition to six samples near a zone identified as Prince George, further west of Eastern Hills. These samples complement previous rockchip sampling undertaken by Taipan.

Surface rockchip sampling by Artemis on the main lode at Eastern Hills returned **encouraging antimony** assay results as well as **high grade lead and silver** results. Accessory gold results up to 0.70g/t were also achieved from this multi-commodity prospect. A summary of best results is shown below, while the Sb, Pb, Au and Ag results for all 13 main lode zone samples are shown in Table 1.

Antimony: over range (>1%) result still pending
Lead: four samples greater than 5% Pb, **maximum value 16.0% Pb**
Silver: three samples greater than 30 g/t Ag, **maximum value 110 g/t Ag**
Gold: seven samples greater than 0.3 g/t Au, **maximum value 0.7 g/t Au**

A number of samples are still awaiting finalisation of over range results for antimony and arsenic – these are expected in the coming week.

Table 1 Eastern Hills Main Lode – Rockchip Sampling Results

Sample No.	Easting MGA	Northing MGA	Sb (%) ME-ICP41	Pb (%) ME-ICP41	Au (g/t) Au-AA23	Ag (g/t) ME-ICP41
238701	409,990	7,474,356	0.06	0.08	0.51	0.9
238702	409,960	7,474,351	0.01	0.04	0.02	0.4
238703	409,955	7,474,345	0.09	0.54	0.02	4.1
238704	410,008	7,474,365	>1.00	6.92	0.47	21.2
238705	409,940	7,474,339	0.08	0.58	0.18	7.4
238706	410,045	7,474,385	0.03	0.15	0.03	3.1
238707	409,887	7,474,328	0.75	9.16	0.63	28.3
238708	409,887	7,474,328	0.05	0.41	0.43	27.5
238709	409,887	7,474,329	0.86	16.00	0.30	34.3
238710	409,887	7,474,329	0.62	13.15	0.47	66.4
238711	409,887	7,474,329	0.09	1.23	0.70	110.0
238712	409,888	7,474,325	0.06	0.56	0.01	1.7
238713	409,884	7,474,330	0.06	0.48	0.03	7.9

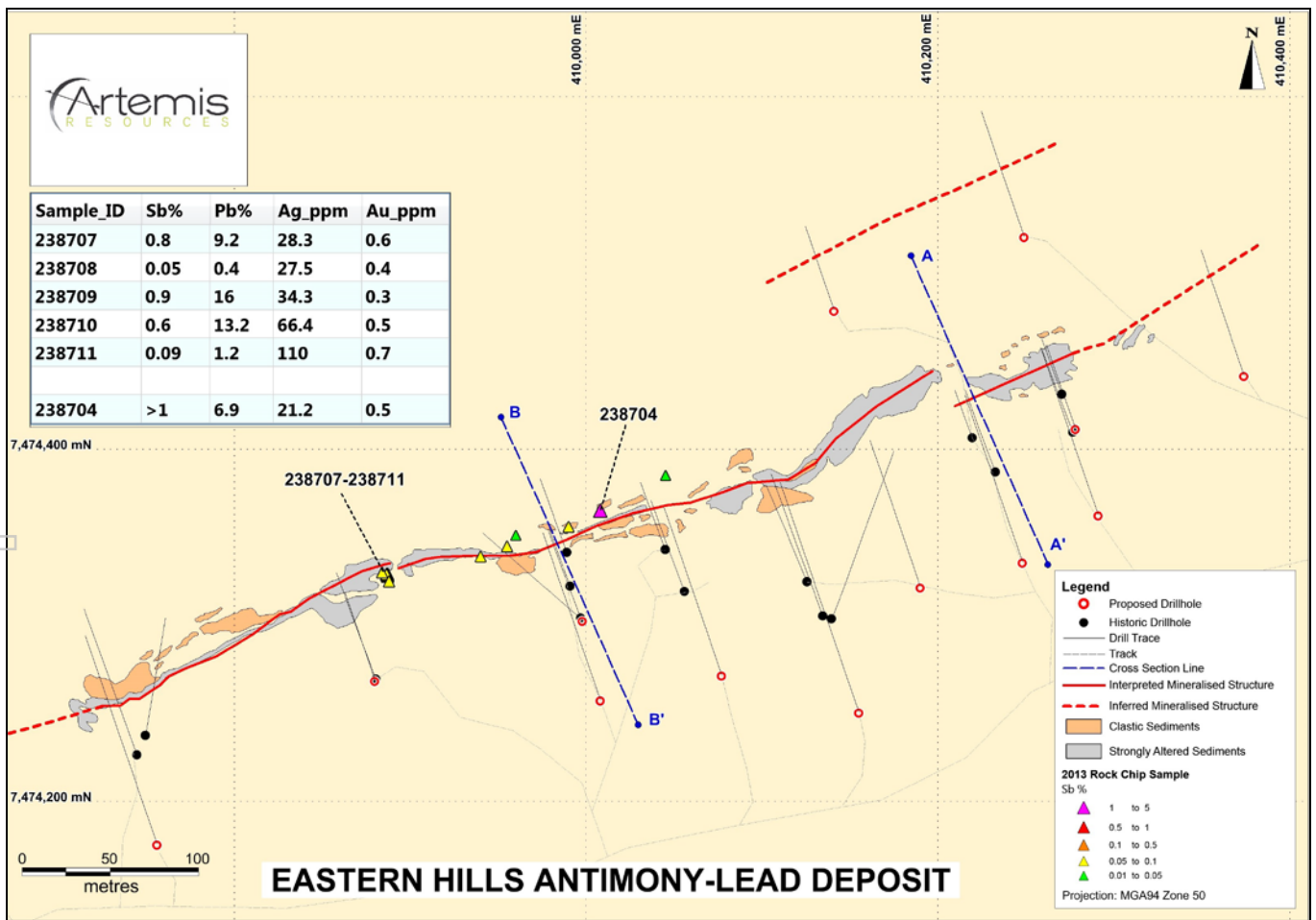
* Note: Assays completed by ALS Chemex (Perth). Over range: >1% Pb analysed by OG46; >100ppm Ag analysed by OG46; >1% Sb (pending) to be analysed by XRF15b and ME-ICP61. All six Prince George samples returned insignificant Pb, Sb, Au and Ag results.

3. EASTERN HILLS DRILLING PROGRAM

Historically 19 reverse circulation (RC) drill holes were completed at Eastern Hills in 1996 and 1997 for a total of 1,975 metres. These two drilling campaigns successfully demonstrated continuity of the antimony-lead mineralisation along a strike length of at least 600 metres (Figure 3) and to a vertical depth of 120 metres however the mineralisation remained open, both at depth (Figure 4) and along strike. Artemis is now planning follow-up exploration to assess the potential of the Eastern Hills deposit, and formulate a mineral resource estimate in accordance with the JORC Code.

While the Taipan drilling was sufficient to estimate an exploration target, as announced in mid January and discussed earlier in section 1 of this release, Artemis has now completed planning of an initial reverse circulation (RC) drill program designed to:

- Validate the historical drilling and analyses – at least one twin hole will be drilled;
- Establish a maiden JORC compliant resource at Eastern Hills;
- Expand the known mineralisation by drilling down dip (Figure 4 – Sections A and B) and along strike, where the main lode zone is currently still “open”; and
- Test an adjoining zone immediately to the northeast of the Eastern Hills antimony-lead lode, where earlier surface sampling identified anomalous gold in rockchips in what could be a sub-parallel structure (Figure 3).



Note: Full 2013 Eastern Hills main lode zone rockchip sampling results (for Sb, Pb, Ag and Au) are shown in Table 1

Figure 3 Eastern Hills – Rockchip Sampling Results and Proposed Drill Locations

The proposed RC drill program at Eastern Hills will entail up to 16 drillholes (Figure 3) for a total drilling metrage of approximately 2,800m, and can be funded from Artemis' existing cash reserves. Drillholes will range from 100m to 250m downhole depth, as shown in diagrammatic cross sections A and B in Figure 4. Departmental approval is expected for Artemis' drill program during May, with drilling to commence shortly after.

As identified during recent field reconnaissance, site access to Eastern Hills will be relatively straightforward, with logistics and infrastructure also located close by. Only minor drill site preparation will be required.

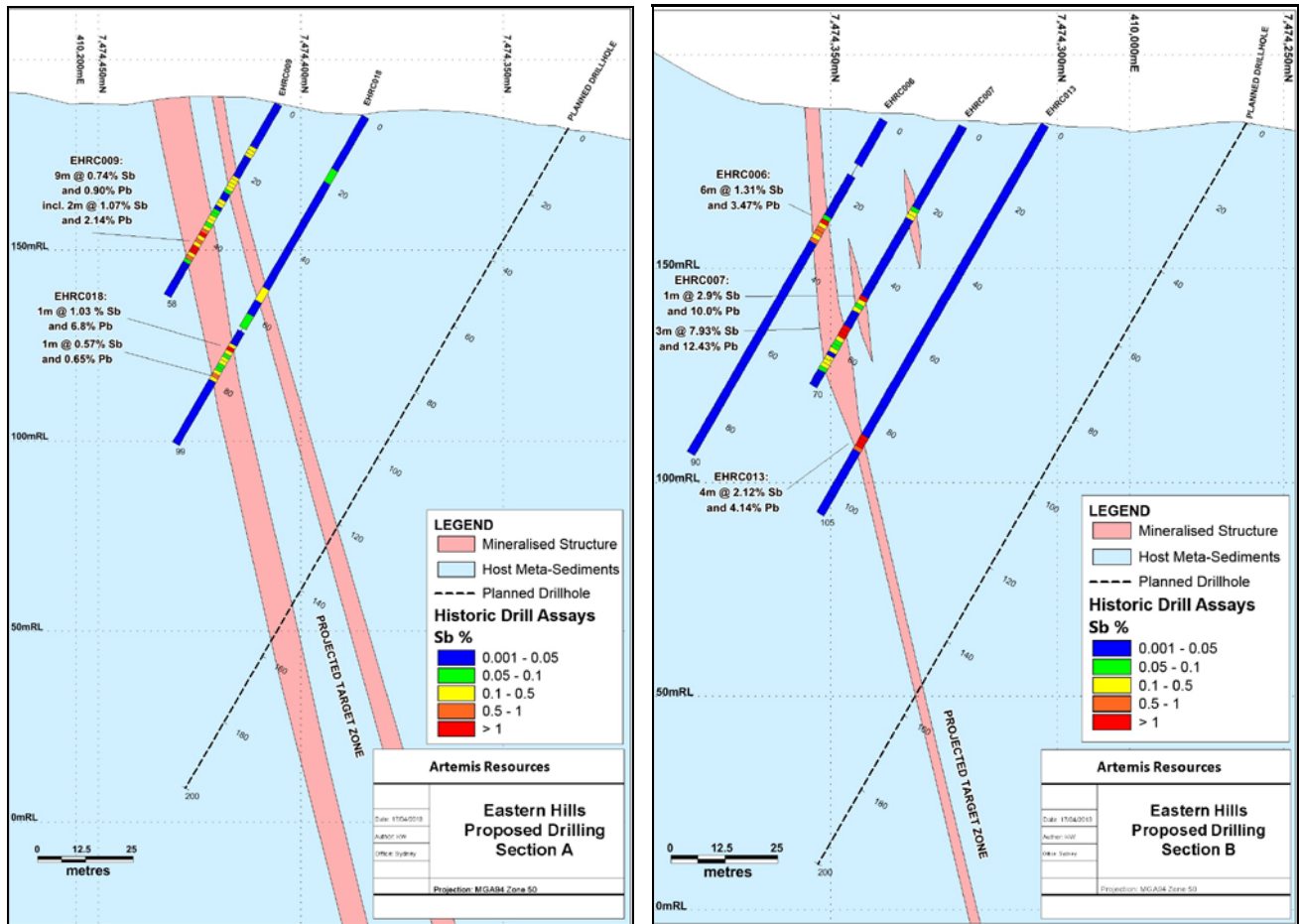


Figure 4 Eastern Hills – Diagrammatic Cross Sections A and B (refer to Figure 3 for location of Sections A and B)

4. ANTIMONY PRICES AND MARKET

Antimony is a specialty 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
- lead batteries, ammunition
- hardening/strengthening agent for lead and zinc alloys
- catalyst in PET (plastics) production
- ceramics

In 1997, when Taipan discovered the Eastern Hills mineralisation, the antimony price was depressed, at or below US\$2,000 per tonne and the lead price was around US\$550 per tonne. Global commodity prices, and specifically antimony prices, have undergone a significant surge, particularly in the past four years, following a period of sustained rises over the past decade (Figure 5).

For some years, antimony and copper prices tracked very closely (Figure 5), but despite the robust consistency of copper pricing over recent years, since early 2010, the antimony price has de-coupled from its more famous base metal “cousin” and has surged to record highs with antimony pricing currently 50% higher than that of copper.

Since the record monthly average price for Sb reached US\$16,800 per tonne in March 2011, Sb prices have remained elevated, currently trading at ~US\$10,500 per tonne, a five-fold increase since the Eastern Hills deposit was first reported in 1997. This has the potential to significantly enhance the economic parameters of the Eastern Hills deposit.

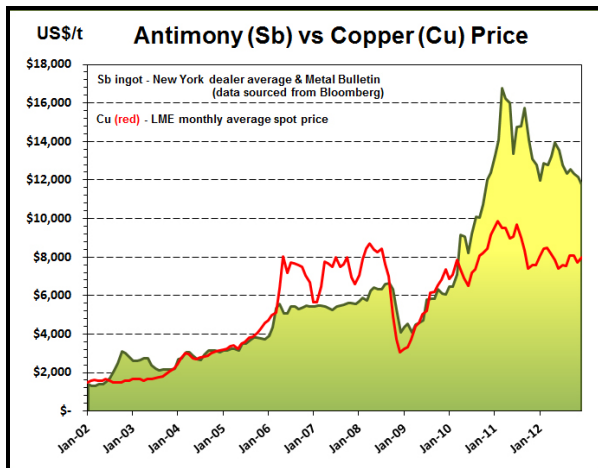


Figure 5 Antimony price vs copper price

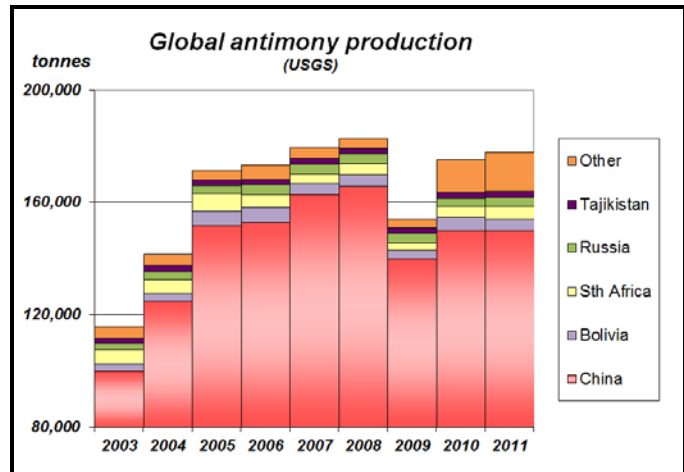


Figure 6 Annual global antimony production by country

Global antimony output has been dominated by China for many years (Figure 6). 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 (2009)
- Despite post GFC falls, China dominates global production (~85% in 2011 - USGS)
- China has imposed export quotas on strategic commodities such as antimony over recent years
- Remainder of output from high sovereign risk countries
- China production decreases reinforce the need for new antimony sources

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.

For further information, please contact:

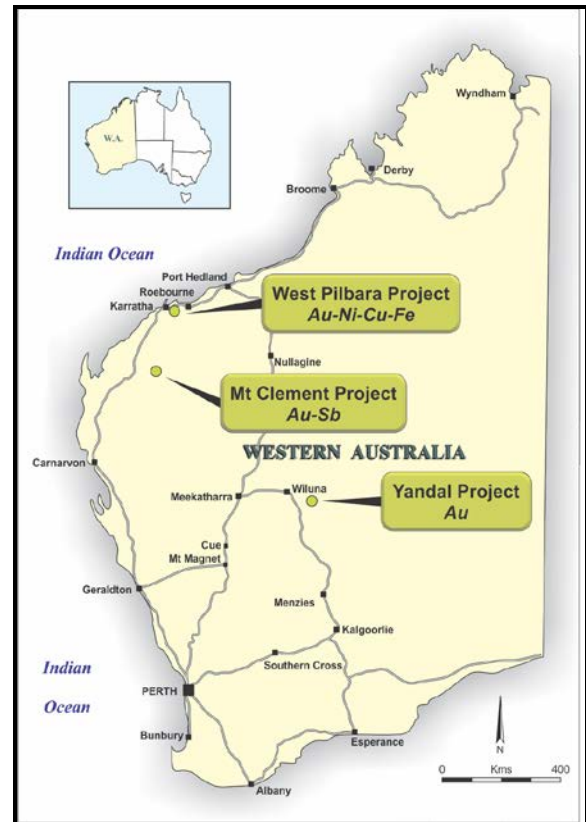
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ABOUT ARTEMIS RESOURCES

Artemis Resources Limited is a resources exploration company with a focus on its prospective Mount Clement (gold and antimony), 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 gold inventory through exploration and acquisitions which have the potential to become mines and create shareholder value.



Competent Person Statements

The information in this document that relates to Exploration Results and Exploration Targets is based on information compiled or reviewed by Mr Trevor Woolfe, who is a Member of The Australasian Institute of Mining and Metallurgy. 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 2004 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 at the Mount Clement Gold Project is based on information compiled by Mr Steven Nicholls, who is a Member of Australian Institute of Geoscientists. Mr Nicholls 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Nicholls of Apex Geoscience Limited consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Company's Exploration Target includes potential quantity and grade and is conceptual in nature. There has been insufficient exploration to define these mineral resources and it is uncertain if further exploration will result in the determination of mineral resources.