

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2023 and 2022

ARTEMIS GOLD INC.

Dated November 7, 2023



ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations
For the three and nine months ended September 30, 2023 and 2022

1. GENERAL

This management's discussion and analysis ("**MD&A**") is management's interpretation of the results and financial condition of Artemis Gold Inc. ("**Artemis Gold**" or the "**Company**") for the three and nine months ended September 30, 2023, and includes events up to the date of this MD&A. This discussion should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2023 ("**Q3 2023**" and "**YTD 2023**", respectively) and the three and nine months ended September 30, 2022 ("**Q3 2022**" and "**YTD 2022**", respectively) and the related notes thereto (the "**Interim Financial Statements**") and other corporate filings of the Company, including the Company's audited consolidated financial statements for the year ended December 31, 2022 (the "**Annual Financial Statements**") and its most recently filed Annual Information Form ("**AIF**"), all of which are available under the Company's profile on SEDAR+ at www.sedarplus.ca. Unless otherwise specified, all financial information has been derived from the Company's Interim Financial Statements which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS**") applicable to the preparation of interim financial statements including International Accounting Standard 34 - Interim Financial Reporting ("**IAS 34**"). All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified. This MD&A contains forward-looking information. Please see the section, "Note Regarding Forward-Looking Information" for a discussion of the risks, uncertainties and assumptions used to develop the Company's forward-looking information.

2. TECHNICAL INFORMATION

All scientific and technical information herein related to the Blackwater Gold Project located in central British Columbia (the "**Blackwater Project**" or "**Blackwater**") has been reviewed and approved by Mr. Jeremy Langford, FAusIMM., who is the Company's President and Chief Operating Officer and a qualified person for the purposes of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). For additional information regarding the Blackwater Project, please see the Company's news release dated September 13, 2021, as well as the Company's technical report entitled "Blackwater Gold Project, NI 43-101 Technical Report on Updated Feasibility Study" with an effective date of September 10, 2021 (the "**Feasibility Study**"), both available on the Company's profile at www.sedarplus.ca.

3. BACKGROUND

Artemis Gold was incorporated on January 10, 2019, pursuant to the *Business Corporations Act* (British Columbia) and its common shares are traded on the TSX Venture Exchange (the "**TSXV**") under the symbol "ARTG".

The Company's primary focus is to advance the development of the Blackwater project.

The Company also holds a 28% equity interest in Velocity Minerals Ltd ("**VLC**"). VLC is engaged in the business of acquiring, exploring, and evaluating mineral resource properties in Bulgaria and its flagship project is the Rozino Project. Velocity's common shares are traded on the TSXV under the symbol "VLC".

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4. HIGHLIGHTS AND KEY BUSINESS DEVELOPMENTS

Corporate highlights since the prior quarter

Since July 1, 2023, the Company undertook the following activities in order to further optimize and de-risk the Blackwater Project:

- (i) Major works construction activities continued at Blackwater and project development continues to advance on schedule. Earthworks continued in priority infrastructure area, with approximately 505 hectares logged and cleared and 90% of access roads needed for Phase 1 construction now operable. As of September 30, 2023, overall construction for Blackwater was approximately 45% complete, with the work associated with the Engineering, Procurement and Construction ("EPC") contract with Sedgman for the processing plant having advanced to 61% completion overall. As of September 30, 2023, approximately \$280 million of the guided initial capital expenditure of \$730 to \$750 million had been incurred. The construction of Phase 1 remains fully funded;
- (ii) Initiated a study to evaluate the benefits of advancing the Phase 2 expansion earlier than contemplated in the September 2021 Feasibility Study;
- (iii) Obtained its Schedule 2 amendment under the Metal and Diamond Mining Effluent Regulations and also received its Fisheries Act Authorization for Blackwater;
- (iv) Continued to execute a modest hedging program. To date, the Company has entered into forward gold sales contracts to deliver a total of 190,000 ounces of gold bullion between March 2025 and December 2027 at a weighted average price of \$2,851/ounce; and
- (v) Received the remaining deposits from the Silver Stream and Gold Stream Amendment from Wheaton for collective proceeds of approximately US\$135.6 million since July 1, 2023 (including US\$45.2 million received subsequent to September 30, 2023), bringing the total received to date under the Silver Stream and Gold Stream Amendment to US\$180.8 million collectively.

5. DEVELOPMENT OF BLACKWATER

Key milestones achieved

Since July 1, 2023, the Company has completed the following activities to reduce the project execution risk associated with Blackwater:

(i) Response to Wildfires

In early July 2023, the Company took proactive measures to temporarily reduce the number of non-essential staff and contractors when the Blackwater site area was affected by an uncontrolled wildfire in the project area. The Blackwater site infrastructure remained intact, including the construction camp, process plant area, construction fleet and contractors' fleets, with damage to property being minimal. Following a disciplined, safe and gradual return, all site activities at the Blackwater mine had recommenced by early August 2023 and contractor occupancy levels on site returned to the same levels as before the wildfire event.

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(ii) Construction Update

The Company's project development team made excellent progress during the quarter ended September 30, 2023, and Blackwater development activities were 45% complete as at that date. The processing plant continued to advance on schedule and was overall 61% complete at the end of the quarter, with engineering and design over 95% complete. Process plant construction progressed well on a number of fronts, including the mill building foundation preparation, reagents building, ball mill pedestals, carbon in leach ("CIL") tanks, and the primary, secondary, and tertiary crushers structures, as well as the reclaim tunnel civil works. Hydro testing of the first CIL tank has been completed. Construction of the run-of-mine ("ROM") wall surpassed 75% complete at the end of September 2023 and was completed in early Q4 2023, with the ROM dump slab civil works scheduled to begin imminently. Key mechanical equipment packages are in various stages of delivery, including the primary, secondary and tertiary crushers and associated dry screens, while the wet plant vibrating screens, ADR plant, gravity concentrator(s) and intensive leach reactor are all on site. The major ball mill components, including the shell and head segments, have arrived. The electrical machinery control centre fabrication is complete and will undergo factory testing in early Q4 2023.

Earthworks continued in priority infrastructure areas, with approximately 505 hectares logged and cleared at the end of September 2023, out of a planned total of 650 hectares. The construction fleet has been expanded to include 60- and 100-tonne rigid frame haul trucks and 150-tonne excavators, providing more material movement capability to key areas. Initial deliveries of the owner mining fleet are well advanced, including 400-tonne hydraulic backhoe excavators and three 240-tonne rigid frame haul trucks which have arrived and are in various stages of assembly. Fleet assembly is expected to be sufficiently advanced by year end in preparation of pre-stripping and earthworks support in 2024. The remainder of the fleet to support operations will arrive predominately in the first half of 2024.

All key management personnel remain in place, with Blackwater staff being approximately 20% female and 30% identifying as Indigenous. At the end of September 2023 there were over 500 staff and contractors on site at Blackwater.

Contracts are being finalized for explosives supply, mine fleet tire supply and the assay laboratory. The supply of the oxygen plant has been awarded, while the supply of the water treatment plants is expected to be awarded in Q4 2023. The right-of-way clearing of the 135km 225kV transmission line is also scheduled to begin in Q4 2023.

(iii) Study for Phase 2 construction

With Phase 1 fully funded and 45% complete as of quarter-end, a study to evaluate the benefits of advancing the Phase 2 expansion earlier than contemplated in the September 2021 Feasibility Study is progressing well. The results of this study are expected to be released in early 2024.

(iv) Gold hedge transactions update

The Company has continued to execute a modest hedging program to secure the returns on capital invested in the early years of operations and further de-risk servicing of the Company's Project Loan Facility ("PLF") during the pay-back period. During Q3 2023, the Company entered into forward sales agreements for delivery of 4,783 gold ounces, bringing the total hedged ounces at September 30, 2023 to 104,783 gold ounces. Subsequent to September 30, 2023, the Company entered into gold forward sales contracts for an additional 85,217 ounces, bringing the total to date to 190,000 ounces of gold bullion to be delivered

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between March 2025 and December 2027 at a weighted average sales price of \$2,851 per ounce, which is 40% higher than the gold price assumption in the September 2021 Feasibility Study.

(v) Receipt of funding on the Silver Stream and Gold Stream Amendment

The Company received the second and third deposits from the Silver Stream and Gold Stream Amendment from Wheaton during Q3 2023, with the fourth and final deposit being received subsequent to September 30, 2023, bringing the proceeds from the Silver Stream and Gold Stream Amendment to US\$180.8 million (US\$135.6 million since July 1, 2023).

Next Steps

Over the next 12 months, the Company will be focused on the following activities:

- Completing concrete works across the process plant and infrastructure areas;
- Completing installation of the process plant tankage;
- Completing the structural, mechanical, and piping (SMP) works;
- Installation of pre-engineered plant buildings;
- Completing delivery and installation of mechanical equipment packages;
- Completing construction of water management structures;
- Completing construction of the tailings storage facilities;
- Completing delivery and assembly of primary mining fleet;
- Commencing and completing the construction of high voltage substation, as well as completing the associated clearing activities for the transmission line; and
- Commencing and completing construction of the 135km 225kV electricity transmission line.

6. CORPORATE UPDATES

During the quarter, the Company appointed Ms. Malinda Kellett as Vice President Legal and Ms. Kathy Poettcker as Vice President Treasurer.

7. DISCUSSION OF OPERATIONS

The following information has been derived from the unaudited Interim Financial Statements for the three and nine months ended September 30, 2023 and 2022 and should be read in conjunction with the Company's Interim Financial Statements, which are available on www.sedarplus.com.

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The following includes an analysis of significant factors that impacted period-to-period variations:

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Operating expenses				
Depreciation	165,868	98,390	503,813	291,534
Management fees and wages	1,251,319	1,430,355	4,063,872	3,591,692
Investor relations and corporate development	163,041	48,324	416,890	218,122
Office, insurance and general	363,676	277,060	1,495,390	815,869
Professional fees	357,809	166,244	961,766	473,680
Share-based payments	897,827	1,356,272	2,857,802	4,261,353
Loss from operations	(3,199,540)	(3,376,645)	(10,299,533)	(9,652,250)
Other (expense) income				
Accretion expense on lease liability	(26,239)	(16,091)	(86,679)	(51,563)
Accretion expense on asset retirement obligation	(112,253)	(13,509)	(224,228)	(49,137)
Equity loss from investment in associate	(150,241)	(259,148)	(481,697)	(703,818)
Fair value adjustment on warrants	-	-	-	(644,119)
Impairment loss on investment in associate	-	(9,889,866)	-	(9,889,866)
Interest income	909,175	595,413	3,548,307	1,197,748
Net loss	(2,579,098)	(12,959,846)	(7,543,830)	(19,793,005)
Other comprehensive loss, net of tax				
<i>Items that will not be reclassified to net loss</i>				
Gains on marketable securities	-	-	-	262,316
Comprehensive loss	(2,579,098)	(12,959,846)	(7,543,830)	(19,530,689)
Loss per common share				
Basic and diluted	(0.01)	(0.08)	(0.04)	(0.13)
Weighted average number of common shares outstanding				
Basic and diluted	197,938,288	154,249,962	195,967,481	154,114,100

Management fees and wages

Management fees and wages decreased by \$179,036 when comparing Q3 2023 to Q3 2022. The decrease is primarily attributed to the timing of performance incentive payments incurred during Q3 2022, partially offset by additional headcount in the current period to support the ongoing development of the Project.

Management fees and wages increased by \$472,180 when comparing YTD 2023 to YTD 2022. The increase is predominantly the result of increased headcount to support the ongoing development of the Project.

Office, insurance and general

Office, insurance and general expenses increased by \$86,616 and \$679,521, respectively, when comparing Q3 2023 to Q3 2022 and YTD 2023 to YTD 2022. The increases primarily reflect additional lease operating costs, IT expenses and travel expenditures related to the growth of the Company to support the ongoing development of the Project.

Professional fees

Professional fees increased by \$191,565 when comparing Q3 2023 to Q3 2022. The increase is primarily due to an increase in legal, regulatory fees and audit fees due to the increase in size and scope of construction activities of the Company.

Professional fees increased by \$488,086 when comparing YTD 2023 to YTD 2022. The increase is primarily due to the factors listed above, as well as an increase in fees related to the filing of the preliminary and final short form base shelf prospectus in Q1 2023.

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Share-based payments

Share based payments decreased by \$458,445 and \$1,403,551, respectively when comparing Q3 2023 to Q3 2022 and YTD 2023 to YTD 2022. The decrease is predominantly due to a large number of previously granted stock options vesting in Q1 2023, as well as the impact of the forfeiture of certain unvested stock options in Q3 2023. These decreases were partially offset by the vesting of stock options, restricted share units and deferred share units granted during YTD 2023.

Interest income

Interest income increased by \$313,762 and \$2,350,559, respectively when comparing Q3 2023 to Q3 2022 and YTD 2023 to YTD 2022. The increase is primarily a result of the Company's increased average cash balances due to the completion of a brokered and non-brokered offering in Q4 2022, as well as an increase in interest rates that favorably impacted the return on the associated cash balances.

Changes associated with investment in VLC

The investment in VLC is comprised of:

	Investment in associate	Warrants	Total
	\$	\$	\$
Balance, January 1, 2022	18,959,373	644,119	19,603,492
Fair value change for the year	-	(644,119)	(644,119)
Conversion of debenture	(893,189)	-	(893,189)
Equity loss on investment in associate	(9,889,867)	-	(9,889,867)
Balance, December 31, 2022	8,176,317	-	8,176,317
Equity loss on investment in associate	(481,697)	-	(481,697)
Balance, September 30, 2023	7,694,620	-	7,694,620

Equity loss on investment in associate

The Company applies equity accounting to the investment in the common shares of VLC as the Company has significant influence over VLC due to the Company's share ownership and representation on VLC's Board of Directors. As a result, the common shares were recognized initially at cost, with the carrying amount of the investment increasing or decreasing at each reporting period to recognize the Company's share of the profit or loss of VLC for the most recently reported applicable period, as well as adjusted for any impairment charges or dilution, if any. The total loss applicable to shareholders of VLC for the nine months ended June 30, 2023 (which incorporates VLC's most recently available financial information at the time of preparation of this MD&A) was \$1,612,510 (for the nine months ended June 30, 2022 - \$2,224,945).

As at September 30, 2023, the Company held 50,701,138 common shares of VLC, or 28% of VLC's issued and outstanding common shares, with a fair market value of \$6,591,148 (December 31, 2022 - 50,701,138 VLC shares, or 32% of VLC's issued and outstanding common shares, at a fair value of \$10,140,228).

8. SUMMARY OF QUARTERLY RESULTS

The following information is derived from the Company's unaudited Interim Financial Statements prepared in accordance with IFRS applicable to interim financial reporting including IAS 34. For quarterly periods other than those ended December 31, the information below should be read in conjunction with the Company's Interim Consolidated Financial Statements for each of the past quarters.

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	Q3 2023	Q2 2023	Q1 2023	Q4 2022
	\$	\$	\$	\$
Revenue	-	-	-	-
Net loss	(2,579,098)	(3,151,645)	(1,813,087)	(1,836,906)
Basic and diluted loss per share	(0.01)	(0.02)	(0.01)	(0.01)
Cash dividend declared per share	-	-	-	-
	Q3 2022	Q2 2022	Q1 2022	Q4 2021
	\$	\$	\$	\$
Revenue	-	-	-	-
Net loss	(12,959,846)	(2,839,091)	(3,994,069)	(4,219,443)
Basic and diluted loss per share	(0.08)	(0.02)	(0.03)	(0.03)
Cash dividend declared per share	-	-	-	-

The Company is focused on the development of the Blackwater Project and does not yet generate any revenue. It is the Company's policy to capitalize all mine development expenses incurred and as such the changes in net income from one period to another depend largely on corporate and administrative expenditure and equity accounting associated with the Company's interest in VLC, which are offset by any interest income accrued in the period.

In addition to the foregoing, the predominant reason for fluctuations in net loss from one quarter to another were the following changes in fair value adjustments to the Company's previously held VLC warrants, non-cash impairment or dilution charges related to the investment held in VLC and stock-based compensation associated with the expansion of the management team towards the development of the Project:

	Q3 2023	Q2 2023	Q1 2023	Q4 2022
	\$	\$	\$	\$
Stock based compensation	(897,827)	(1,214,990)	(744,985)	(817,217)
Impairment loss on investment in associate	-	-	-	-
Fair value adjustment on warrants	-	-	-	-
	Q3 2022	Q2 2022	Q1 2022	Q4 2021
	\$	\$	\$	\$
Stock based compensation	(1,356,272)	(1,433,673)	(1,471,408)	(1,402,154)
Impairment loss on equity investment	(9,889,867)	-	-	-
Fair value adjustment on warrants	-	-	(644,119)	(1,084,393)

9. LIQUIDITY, CAPITAL RESOURCES, CASH FLOWS AND SELECTED FINANCIAL INFORMATION

Liquidity

As a development-stage company, Artemis Gold does not have revenues and is expected to incur operating losses until the Blackwater Project completes construction of Phase 1 and begins commercial operations.

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As at September 30, 2023, the Company's net assets and working capital position⁽¹⁾ were as follows:

	As at September 30, 2023 \$	As at December 31, 2022 \$
Assets		
Cash and cash equivalents	72,820,049	194,089,372
Other current assets	8,162,011	2,968,341
Current assets	80,982,060	197,057,713
Restricted cash	12,744,077	4,734,100
Other non-current assets	789,126,359	454,959,611
TOTAL ASSETS	882,852,496	656,751,424
Liabilities		
Other current liabilities	44,056,399	25,288,601
Current liabilities	44,056,399	25,288,601
Non-current liabilities	260,316,100	54,035,092
TOTAL LIABILITIES	304,372,499	79,323,693
NET ASSETS	578,479,997	577,427,731
WORKING CAPITAL⁽¹⁾	36,925,661	171,769,112

(1) Working capital is calculated as current assets less current liabilities

As at September 30, 2023, the Company had the following undiscounted contractual commitments and obligations:

	< 1 year \$	1 - 3 years \$	4 - 5 years \$	> 5 years \$	Total \$
Accounts payable and accrued liabilities	43,180,240	-	-	-	43,180,240
Lease liabilities	2,090,722	7,153,921	6,071,453	2,289,129	17,605,225
Capital commitments	445,602,875	-	-	-	445,602,875
Variable consideration payable	-	-	56,000,000	28,000,000	84,000,000
Asset retirement obligation	-	5,026,288	-	22,447,476	27,473,764
Total	490,873,837	12,180,209	62,071,453	52,736,605	617,862,104

As at the date of this report, the Company expects that its working capital position (which includes the final deposits from the Silver Stream and the Gold Stream Amendment that was received subsequent to September 30, 2023), along with the amounts to be made available under the PLF and the master lease agreement provide sufficient resources available to meet its contractual obligations for the ensuing 12 months.

Phase 1 construction of the Blackwater Project is fully funded. However, utilization of the PLF and remainder of the master lease agreement remain subject to various conditions precedent. If such conditions precedent do not materialize in the manner or timing intended by the Company, it may need to fund such planned expenditures by obtaining financing from the exercise of warrants, additional equity financing or other means. Management is confident financing will be available at terms agreeable to the Company, however, there can be no assurance that the Company will secure the funding required for such elective initiatives.

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The Company has not paid any dividends and management does not expect that this will change in the near future.

Working capital is held almost entirely in cash and cash equivalents, significantly reducing any liquidity risk of financial instruments held by the Company.

Cash Flows

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
	\$	\$	\$	\$
Net cash used in operating activities	(1,899,949)	(2,038,240)	(6,836,359)	(4,373,535)
Net cash used in investing activities	(109,914,016)	(33,330,041)	(289,052,964)	(54,490,741)
Net cash provided by (used in) financing activities	121,110,612	(630,335)	174,620,000	(5,227,498)
Change in cash and cash equivalents	9,296,647	(35,998,616)	(121,269,323)	(64,091,774)
Cash and cash equivalents, beginning	63,523,402	103,265,958	194,089,372	131,359,116
Cash and cash equivalents, ending	72,820,049	67,267,342	72,820,049	67,267,342

Cash flows from operating activities

Net cash used in operating activities was comparable in Q3 2023 to Q3 2022

Net cash used in operating activities increased by \$2,462,824 when comparing YTD 2023 to YTD 2022, primarily as a result of increased spend in management fees and wages, office, insurance and general costs as a result of increased headcount and activity in support of the ramp up of major works construction at the Blackwater Project.

Cash flows from investing activities

Cash used in investing activities increased by \$76,583,975 and \$234,562,223, respectively when comparing Q3 2023 to Q3 2022 and YTD 2023 to YTD 2022. This was predominantly the result of commencement of Major Works construction in the first half of 2023, including the costs incurred related to the EPC contract and owner managed scopes of work, partially offset by an increase in interest received as a result of higher cash balances from the completion of the brokered and non-brokered offering in Q4 2022, over both periods. A further increase in cash used in investing activities during YTD 2023 was a result of additional bonding requirements.

Cash flows from financing activities

Cash provided by financing activities increased by \$121,740,947 when comparing Q3 2023 to Q3 2022 primarily due to the receipt of proceeds related to the Silver Stream and Gold Stream Amendment.

Cash provided by financing activities increased by \$179,847,498 when comparing YTD 2023 to YTD 2022. The increase is related to the factor listed above, as well as proceeds received from the exercising of warrants for common shares by certain warrant holders. These increases were slightly offset by payments incurred related

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to the closing of the PLF, including underwriting fees incurred to the lead arrangers, legal costs and other advisory fees.

Use of Proceeds

The following table includes a comparison of the actual use of proceeds (such proceeds having been received prior to September 30, 2023) to the intended use of proceeds, previously disclosed by the Company:

	Intended use of proceeds \$	Actual use of proceeds \$
Net proceeds from the non-brokered and bought deal offering on October 14, 2022	171,598,515	
Proceeds from the first, second and third deposits of the Silver Stream	141,137,392	
Proceeds from the first, second and third deposits of the Gold Stream Amendment	39,955,280	
Total net proceeds	352,691,187	
Advancing development of Blackwater and general working capital	352,691,187	279,871,138
Remaining in treasury	-	72,820,049
Total net proceeds	352,691,187	352,691,187

The balance of the proceeds remaining in treasury is intended to be applied towards (i) ongoing permitting compliance costs (ii) financing costs (iii) development expenditures as contemplated in the Company's Feasibility Study, as well as the additional investments as part of its Phase 1 development, including the costs associated with the Company's EPC contractor, (iv) development of offsite infrastructure including road access and power supply to the Blackwater site, as well as (v) costs associated with partnering with First Nations groups and (vi) general corporate purposes.

Streaming Arrangements

As previously disclosed in the *Highlights and Key Business Developments* section of this MD&A, the Company received the second and third deposits on its Silver Stream and Gold Stream Amendment of approximately \$120 million (US\$90 million) in Q3 2023. This is in addition to the initial deposit of approximately \$60 million (US\$45 million), previously received in June 2023. The fourth and final deposit of approximately US\$45 million was received in early Q4 2024.

The Company recorded the upfront initial deposits received as deferred revenue and will recognize amounts in revenue as silver and gold are delivered under each of the arrangements. The Blackwater Project is still under development and there are no planned deliveries of silver or gold for the next twelve months. The entire amount of the deferred revenue related to the Silver Stream and the Gold Stream Amendment is recorded as non-current as of September 30, 2023.

10. TRANSACTIONS BETWEEN RELATED PARTIES

The Company transacts with key management personnel, who have authority and responsibility to plan, direct and control the activities of the Company and receive compensation for services rendered in that capacity. Salaries, benefits, consulting fees and director's fees are recorded on an arm's length basis while share-based

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compensation is measured at the fair value of the instruments issued, taking into account any revaluations due to changes in share price, if applicable, with the expense recognized over the relevant vesting periods.

Key management personnel transactions for the three and nine months ended September 30, 2023 and 2022, included compensation paid to the Company's directors (Messrs. David Black, Bill Armstrong (retired in Q2 2023), Ryan Beedie and Dale Andres (commencing in Q2 2023), Mss. Elise Rees, Lisa Ethans and Dr. Janis Shandro, the Company's Chief Executive Officer (Mr. Steven Dean), Chief Financial Officer (Mr. Gerrie van der Westhuizen, effective January 1, 2023), President and Chief Operating Officer (Mr. Jeremy Langford), Chief ESG Officer (Candice Alderson, commencing in late Q2 2022), while the amounts for the three and nine months ended September 30, 2022 included the compensation paid to the former Chief Financial Officer, Mr. Chris Batalha, who resigned effective December 31, 2022.

Compensation awarded to key management personnel for the three and nine months ended September 30, 2023 and 2022, was:

	For the three months ended September 30, 2023 \$	For the three months ended September 30, 2022 \$	For the nine months ended September 30, 2023 \$	For the nine months ended September 30, 2022 \$
Salaries and benefits	419,668	395,047	1,519,067	1,054,657
Consulting fees	327,321	252,500	1,112,150	820,813
Director fees	190,555	210,667	554,602	399,000
Share-based payments	789,072	1,642,163	2,279,108	3,631,253
	1,726,616	2,500,377	5,464,927	5,905,723

11. OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements as at September 30, 2023, or as at the date hereof, other than those disclosed in Notes 8 and 15 of the Company's Interim Financial Statements.

12. SUBSEQUENT EVENTS

Subsequent to September 30, 2023, the Company received cash payments of approximately US\$35 million and US\$10 million under the Silver Stream and the Gold Stream Amendment, respectively. These payments represented the fourth and final installment under the respective streaming agreements.

Subsequent to September 30, 2023, the Company entered into additional forward gold sales contracts under the Mandatory Hedge Program to deliver 85,217 ounces of gold bullion at a weighted average price of \$2,868/ounce. To date, the Company has entered into forward gold sales contracts to deliver a total of 190,000 ounces of gold bullion between March 2025 and December 2027 at a weighted average price of \$2,851/ounce.

Subsequent to September 30, 2023, the Company granted 165,000 incentive stock options, exercisable at a weighted average price of \$5.29, expiring 5 years from the date of the grant.

13. OUTSTANDING SHARE DATA

The authorized capital of Artemis Gold consists of an unlimited number of common shares. As of the date of this report, there were 198,009,701 common shares outstanding, 26,241,909 warrants outstanding, 11,719,475 stock options outstanding, 532,000 restricted share units and 54,000 deferred share units. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of \$1.08 per until August 27, 2024.

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14. CAPITAL MANAGEMENT

Capital includes all components of shareholders' equity. The Company's objective in managing capital is to safeguard the Company's ability to continue as a going concern, to maintain a flexible capital structure which optimizes cost of capital at acceptable risk and to provide reasonable returns to shareholders. The Company manages the capital structure and makes adjustments in light of changes in economic conditions, foreign exchange rates and the risk characteristics of the Company's assets. In order to maintain or adjust the capital structure, the Company may issue new shares, or sell assets to improve working capital. The covenants under the Company's PLF require the Company to maintain certain minimum cash balances. The Company has no other externally imposed capital requirements. In order for the Company to meet its obligations and undertake its intended discretionary spending related to further development of the Blackwater Project, it may choose to fund such expenditures through the PLF, the Silver Stream, the Gold Stream Amendment and the Master Lease Agreement.

With the commitment of the additional US\$40 million funding under the Gold Stream Amendment, the optimized initial capital for Phase 1 construction of Blackwater was fully funded.

15. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's financial instruments consist of cash and cash equivalents, receivables, accounts payable and variable consideration payable. All financial instruments are initially recorded at fair value and designated as follows: cash, cash equivalents and receivables which are included in other assets are classified as financial assets at amortized cost. Accounts payable and variable consideration payable are classified as financial liabilities at amortized cost.

Fair value measurements

A three-level hierarchy for fair value measurements exists based upon the significance of inputs used in making fair value measurements:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

As at September 30, 2023, the carrying value of the Company's cash and cash equivalents, receivables, as well as accounts payable approximate their fair values due to their short-term nature. The fair value of the variable consideration payable is estimated to be \$38,634,969 (see carrying value in Note 6 in the Interim Financial Statements), which was determined using a discounted cash flow approach with an estimated market interest rate applied. The fair value of the Company's equity investment in VLC is disclosed in Note 4 in the Interim Financial Statements. The fair value of the embedded derivative asset related to the partial buy-back option of the Silver Stream, disclosed in Note 12 in the Interim Financial Statements, was determined by using a discounted cash flow approach with an estimated market silver price applied.

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Fair value is based on available public market information or, when such information is not available, estimated using present value techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk.

16. RISK FACTORS

The Company's business, operations and future prospects are subject to significant risks. For details of these risks, refer to the risk factors set forth in the Company's most recently filed AIF, which can be found under the Company's corporate profile on SEDAR+ (www.sedarplus.ca). Management is not aware of any significant changes to the risks identified in the Company's most recently filed AIF nor has the Company's mitigation of those risks changed significantly during the quarter ended September 30, 2023. These risks could materially affect the Company's business, operations, prospects and share price and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the business, operations, prospects and share price of the Company. If any of the risks actually occur, the business of the Company may be harmed, and its financial condition and results of operations may suffer significantly.

17. ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Artemis Gold's general and administrative expenses are provided in the Company's statement of loss and comprehensive loss contained in its Annual Financial Statements and Interim Financial Statements, which are all available on Artemis Gold's website and its profile on SEDAR+ (www.sedarplus.ca).

18. NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking statements" (also referred to as "forward-looking information") within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical facts, included in this MD&A that address activities, events or developments that Artemis Gold expects or anticipates will or may occur in the future, including, without limitation, statements about the future exploration, development and construction activities; sources, and proposed uses, of funds; capital and operating cost estimates; NPV, IRR and other economic estimates in respect of the economics of the Blackwater Project; expectations regarding the construction, operation and expansion of the Blackwater Project; expectations regarding the ability to raise capital for future activities, including the Company's expectations with respect to financing the construction of the Blackwater Project; expectations relating to the PLF; expectations relating to the utilization of the master lease agreement; expectations relating to the Silver Stream and Gold Stream Amendment; expectations relating to the continued engagement and negotiation with First Nations; the timing and receipt of certain approvals, and other such matters are forward-looking statements. When used in this MD&A, the words "estimate", "plan", "anticipate", "expect", "intend", "target", "believe" and similar expressions are intended to identify forward-looking statements. Forward-looking information and statements are based on the then current expectations, beliefs, assumptions, estimates and forecasts about Artemis Gold's business and the industry and markets in which it operates.

Forward-looking information and statements are made based upon certain assumptions and other important factors that could cause the actual results, performances or achievements of Artemis Gold to be materially different from future results, performances or achievements expressed or implied by such information or

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statements. Such information and statements are based on numerous assumptions including, among others, the accuracy of the economic benefits as forecasted by the Feasibility Study, the expected economic impact on British Columbia stemming from construction and operating activities of the Blackwater Project, the expected value-added and jobs stemming from the construction and operation of the Blackwater Project, the ability to fast-track certain construction initiatives at the Blackwater Project, the timing of awarding of further EPC contracts, that the results of planned exploration, development and construction activities are as anticipated, the price of gold, the anticipated cost of planned exploration, development and construction activities, that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms and that third party contractors, equipment, supplies and governmental and other approvals required to conduct Artemis Gold's planned exploration activities will be available on reasonable terms and in a timely manner.

Forward-looking information and statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Artemis Gold to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the risk that the estimates (including economic and cost estimates) set out in the Feasibility Study will prove incorrect, or the plans, forecasts, expectations and assumptions otherwise set out in the Feasibility Study are inaccurate or unrealized; risks related to the development and construction of the Blackwater Project; risks related to the negative operating cash flow and dependence on third party financing, including that the Company will be unsuccessful in satisfying the conditions precedent for the drawdown of the project loan facility or the master lease agreement for the Blackwater Project in the manner or on the timeline currently anticipated; the uncertainty of additional financing, if required; the limited operating history of Artemis Gold; the lack of known mineral resources or reserves; the influence of a large shareholder; alternate sources of energy; aboriginal title and consultation issues; risks related to exploration activities generally; reliance upon key management and other personnel; title to properties; uninsurable risks; conflicts of interest; permits and licences; environmental and other regulatory requirements; political regulatory risks; competition; and the volatility of share prices, all as more particularly described in the "Risk Factors" above. Although Artemis Gold has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.