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PRESS RELEASE

**ARTEMIS ANNOUNCES REVISED PFS FOR BLACKWATER PROJECT
UNLEVERED AFTER TAX NPV5 OF \$2.2 BILLION
AFTER TAX IRR OF 35%
PAYBACK ON INITIAL CAPITAL COSTS OF 2 YEARS**

All amounts are in Canadian Dollars unless otherwise noted

ARTEMIS GOLD INC. (“Artemis” or the “Company”) is pleased to announce the results of a Pre-Feasibility Study (“PFS” or the “Study”) based on a revised development approach to the recently acquired, and 100% owned Blackwater Gold Project in central British Columbia (“Blackwater” or the “Project”).

Key Economic Outputs of the Study

A summary of the technical and financial metrics of the PFS is provided in the tables below.

Table 1 – Key Results of the PFS, Life of Mine (including the New Gold Inc. Stream, defined below)

Description	Unit	Base Case	Levered Case ~
<u>Physicals</u>			
Ore Tonnes	Mt	334.0	334.0
Grade (Au)	g/t	0.75	0.75
Grade (Ag)	g/t	5.78	5.78
Operational Strip Ratio*		2.0	2.0
Recovery (Au)	%	93%	93%
Recovered Ounces (Au)	k oz.	7,450	7,450
Recovery (Ag)	%	65%	65%
Recovered Ounces (Ag)	k oz.	40,374	40,374
<u>Cost Metrics</u>			
Initial Capital Cost	\$ million	592	592
Phase 2 Expansion Capital Cost	\$ million	426	426
Phase 3 Expansion Capital Cost	\$ million	398	398
Sustaining & Closure Capital Cost	\$ million	712	712
Operating Costs	\$/t milled	17.65	17.65
Cash Costs/oz.**	k oz.	715	715
All-In Sustaining Costs/oz.**	\$/oz.	811	811
<u>Economic Results</u>			
After-Tax NPV5	\$ million	2,247	2,249
After-Tax IRR	%	34.8%	49.7%
Payback on Initial Capital	Years	2.0	2.2
Cumulative Free Cash Flow***	\$ million	5,906	5,934

*Operational strip ratio is calculated as total waste mined divided by ore mined

**Please refer to Non-IFRS measures notice at the end of this news release.

***Free Cash Flow is calculated as project operating cash flow minus sustaining/closure capital and tax

~Levered Case assumptions and parameters are disclosed below under "Economic Results". The Leveraged Case reflects the impact of debt. Financing of the Project is not a measure of the economic viability and technical feasibility of the Project, but a measure of the Company's ability to secure debt financing for the Project.

The base case economics have been calculated on an unlevered basis, based on a gold price of US \$1,541/oz., a silver price of US \$19.60/oz. and a foreign exchange rate of CAD\$1 = USD\$0.76. The economics include the effect of the Blackwater gold stream (the "Stream"), which was issued to finance part of the acquisition cost of Blackwater by Artemis from New Gold Inc. ("New Gold") (refer to news release dated August 24, 2020). Under the terms of the Stream, New Gold will purchase 8.0% of the refined gold produced from the Project. Once 279,908 ounces of refined gold have been delivered to New Gold, the gold stream will reduce to 4.0%. New Gold will make payments for the gold purchased equal to 35% of the US dollar gold price quoted by the London Bullion Market Association two days prior to delivery.

The tables below show the sensitivity of after-tax NPV and IRR to changes in the US dollar gold price and the CAD/USD exchange rate.

Table 2 – Sensitivity on Base Case After-Tax NPV (5%) (\$000) to Changes in US\$ Gold Price and USD/CAD Exchange Rate (Base Case Highlighted)

US/CAD	US \$ Gold Price									
	\$	1,050	\$	1,300	\$	1,541	\$	1,800	\$	2,050
0.60		1,672,105		2,654,199		3,600,002		4,616,021		5,596,249
0.65		1,324,653		2,232,499		3,105,715		4,043,857		4,949,033
0.70		1,026,286		1,870,434		2,681,774		3,553,299		4,394,022
0.76		721,073		1,498,745		2,246,820		3,049,606		3,824,263
0.80		540,655		1,281,108		1,992,942		2,755,653		3,491,850
0.85		329,112		1,037,579		1,708,917		2,427,104		3,120,118
0.90		141,887		825,454		1,456,039		2,135,194		2,789,605
0.95		(33,651)		631,179		1,229,101		1,873,937		2,493,860

Table 3 – Sensitivity on Base Case After-Tax IRR to Changes in US\$ Gold Price and USD/CAD F/X

US/CAD	US \$ Gold Price									
	\$	1,050	\$	1,300	\$	1,541	\$	1,800	\$	2,050
0.60		29%		39%		47%		56%		63%
0.65		25%		35%		43%		51%		58%
0.70		21%		31%		39%		47%		54%
0.76		17%		27%		35%		42%		49%
0.80		14%		24%		32%		40%		46%
0.85		11%		21%		29%		37%		43%
0.90		8%		19%		26%		34%		40%
0.95		4%		16%		24%		31%		37%

The Company's revised development approach includes:

- A reduction in initial capital expenditures to \$592 million by applying a disciplined three-stage approach to mine throughput ramp up, while remaining committed to achieving the full-scale project throughput of 20 million tonnes per annum (“Mtpa”);
- Targeting a higher-grade zone of near surface mineralization in the southern half of the pit for processing in the first seven years supporting a shorter payback period and a higher IRR;
- Improved gold and silver recoveries from metallurgical optimization work;
- Applying current consensus gold and silver price decks.

Table 4 – Key Results of the PFS by Phase (Unlevered, including the New Gold Stream)

Description	Unit	Phase 1	Phase 2	Phase 3
Periods	Years	1 - 5	6 - 10	11 - 23
Annual Throughput	mtpa	5.5	12.0	20.0
Initial/Expansion Capital Cost	\$ million	592	426	398
Average Grade (Au)	g/t	1.57	1.17	0.55
Average Strip Ratio		1.68	1.92	2.14
Operating Costs	\$/t milled	28.42	23.30	15.13
Average Ann. Au Production	k oz.	248	420	316
All-In Sustaining Costs	\$/oz.	668	696	911
Average Annual Free Cash Flow	\$ million	262	351	219

**Operational strip ratio is calculated as total waste mined divided by ore mined*

***Please refer to Non-IFRS measures notice at the end of this news release.*

****Free Cash Flow is calculated as project operating cash flow minus sustaining/closure capital and tax*

~Levered Case assumptions and parameters are disclosed below under “Economic Results”

Steven Dean, Chairman and CEO of Artemis commented: *“We are pleased to announce the results of the PFS, which illustrate the robust economics that management believed were achievable when the Company made the decision to acquire Blackwater earlier this year. The strategy of staging the ultimate development of the mine, among other de-risking initiatives, allows for much improved economics, while allowing the Company to phase the development before ramping up to full throughput of 20 million tonnes per annum.”*

“After applying this approach to the development of the Blackwater Project, the Study outlines a new project on an unlevered basis and including the gold stream granted to New Gold as part of the acquisition cost, with a payback period of 2 years, an after-tax IRR of 35% with a financeable, up-front development capital of less than \$600 million. On the basis of an expected achievable 60% debt leverage of initial capital costs, the Project after-tax IRR increases to 50%. The phased approach provides the opportunity to build the Blackwater project into a new 250,000 ounce per year gold operation growing to more than 400,000 ounces of gold per year with growth financed from free cash flow. We believe that this disciplined approach is the most prudent way to advance one of the largest undeveloped gold projects in Canada. We are looking forward to working with our partners, including Lhoosk’uz Dené Nation, Ulkatcho First Nation, the Carrier Sekani First Nations and Nazko First Nation and with the support of the BC and Federal

Governments, to advance the Blackwater Project. With Environmental Assessment approvals in 2019, the permitting process for the Project is already well advanced.”

The Study

The Study was led by Moose Mountain Technical Services (“**MMTS**”), along with the support of Knight Piésold Ltd. (“**KP**”) and John A. Thomas, all of whom are independent of the Company. The Company presents two cases as part of the Study: a base case which is unlevered, and an alternate levered case which assumes 60% of the initial funding requirement is funded through project debt.

The Company set out to achieve improved economics and financeability on the Project against the previous study (refer to the Feasibility Study technical report entitled “*Blackwater Gold Project, British Columbia, NI 43-101 Technical Report on Feasibility Study*” with an effective date of January 14, 2014, filed on SEDAR by New Gold on January 22, 2014 (the “**2014 Feasibility Study**”). Artemis’ methodology and approach to development of the Project includes the following:

- Starting at 5.5 **Mtpa** throughput and focusing on the near-surface, higher-grade zone of mineralization in the southern half of the deposit to minimize initial capital cost intensity, improve payback and IRR;
- Two subsequent expansion stages ramping up to the original planned capacity of approximately 20 Mtpa outlined in the 2014 Feasibility Study, with expansions funded from future operating cashflows;

Table 5 – Throughput Levels by Phase (See Appendix A for Detailed Mine Schedule)

Phase	Years	Annual Throughput
1	1 to 5	5.5 million tonnes
2	6 to 10	12 million tonnes
3	11 to 23	20 million tonnes

- The smaller-scale start-up defers a substantial portion of waste pre-stripping from initial capital, as designed in the 2014 Feasibility Study, into operating costs in the PFS. While this partly contributes to the slightly higher operating costs as compared to the 2014 Feasibility Study, it substantially reduces up front funding requirements and results in a much higher IRR for the PFS;
- Cost benefits from a smaller, off-the-shelf, modular approach for buildings and crushing equipment;
- Staged installation of three similar-sized processing trains to 20 Mtpa;
- Re-designed three-stage crushing with a ball mill provides improved capacity to accommodate variability of ore hardness and maintain name-plate throughput;
- Reduced overall process footprint and laydown area requirements;
- Staged tailings capital costs, including relocation of the start-up dam site downstream to optimize initial capacity and haulage distances, improve constructability by following existing

access trails in an area of gentler terrain, and simplify water management during early operations;

- Enhanced water management flexibility with planned installation of a water treatment plant at the start of operations;
- Total project indirect capital costs and owner’s costs significantly reduced as planned expansions will take advantage of an operating site with installed infrastructure and an established site management team;

Mineral Resource Estimate

The mineral resource is estimated from a drill hole database containing 1,002 drill holes and 288,738 assay intervals. Three domains were generated based on the major north-south fault and changes in orientation of the mineralization. The block model has a 10m x 10m x 10m selective mining unit, with interpolation of gold done by Multiple Indicator Kriging (“MIK”) and interpolation of silver using Ordinary Kriging (“OK”). The interpolations were limited by the domain boundaries and were clipped to the overburden surface. Blocks were assigned a preliminary classification based on the variography and drill hole spacing by domain, with Measured and Indicated confidence classifications then adjusted for continuity of blocks.

The base case cut-off grade within the “reasonable prospects of eventual economic extraction” pit is 0.20 g/t gold equivalent (“AuEq”), as highlighted in the table below. At a 0.20 g/t AuEq cut-off, the total Measured and Indicated Mineral Resource is estimated at 597 Mt at 0.65 g/t AuEq, 0.61 g/t Au, and 6.4 g/t Ag for a total of 12.4 million AuEq ounces. Of the total Measured and Indicated Mineral Resources, 75% are in the Measured category.

Table 6 – Mineral Resource Sensitivity (effective date of May 5, 2020)

Classification	Cutoff (g/t)	Tonnage (ktonnes)	In situ Grades			In situ Metal		
			AuEq (g/t)	Au (g/t)	Ag (g/t)	AuEq (koz)	Au (koz)	Ag (koz)
Measured	0.20	427,123	0.68	0.65	5.5	9,360	8,905	75,802
	0.30	313,739	0.84	0.80	5.9	8,463	8,109	59,009
	0.40	238,649	0.99	0.96	6.1	7,627	7,347	46,727
	0.50	186,687	1.15	1.11	6.2	6,881	6,656	37,333
	0.60	149,261	1.30	1.26	6.4	6,223	6,039	30,521
	0.70	120,916	1.45	1.41	6.6	5,633	5,479	25,619
Indicated	0.20	169,642	0.56	0.51	8.5	3,046	2,766	46,578
	0.30	123,309	0.68	0.61	10.4	2,677	2,431	41,112
	0.40	86,473	0.81	0.74	12.4	2,264	2,057	34,419
	0.50	64,305	0.94	0.85	14.8	1,947	1,763	30,681
	0.60	50,527	1.05	0.95	17.2	1,705	1,537	27,957
	0.70	40,317	1.15	1.03	19.6	1,493	1,340	25,458
Measured + Indicated	0.20	596,765	0.65	0.61	6.4	12,406	11,672	122,381
	0.30	437,048	0.79	0.75	7.1	11,140	10,540	100,120
	0.40	325,122	0.95	0.90	7.8	9,890	9,404	81,146
	0.50	250,992	1.09	1.04	8.4	8,828	8,419	68,014
	0.60	199,788	1.23	1.18	9.1	7,928	7,577	58,478

	0.70	161,233	1.37	1.32	9.9	7,125	6,819	51,077
Inferred	0.20	16,935	0.53	0.45	12.8	288	246	6,953
	0.30	11,485	0.66	0.57	16.2	245	210	5,971
	0.40	8,690	0.77	0.65	19.2	214	182	5,373
	0.50	5,552	0.95	0.79	26.0	169	142	4,648
	0.60	4,065	1.10	0.90	32.7	143	118	4,279
	0.70	3,328	1.20	0.97	36.9	128	104	3,951

Notes:

1. The Mineral Resource estimate has been prepared by Sue Bird, P.Eng., an independent Qualified Person.
2. Resources are reported using the 2014 CIM Definition Standards and were estimated in accordance with the CIM 2019 Best Practices Guidelines.
3. Mineral Resources are reported inclusive of Mineral Reserves.
4. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
5. The Mineral Resource has been confined by a “reasonable prospects of eventual economic extraction” pit using the following assumptions: US \$2,000/oz. Au and US \$21.43/oz Ag at a currency exchange rate of 0.75 US\$ per CAD\$; 99.9% payable Au; 95.0% payable Ag; \$8.50/oz Au and \$0.25/oz Ag offsite costs (refining, transport and insurance); a 1.5% NSR royalty; and uses a 93% metallurgical recovery for gold and 55% recovery for silver.
6. The AuEq values were calculated using US \$1,400/oz Au, US \$15/oz Ag, a gold metallurgical recovery of 93%, silver metallurgical recovery of 55%, and mining smelter terms for the following equation: $AuEq = Au \text{ g/t} + (Ag \text{ g/t} \times 0.006)$.
7. The specific gravity of the deposit has been determined by lithology as being between 2.6 and 2.74.
8. Numbers may not add due to rounding.

There are no other known factors or issues that materially affect the Mineral Resource estimate other than normal risks faced by mining projects in the province in terms of environmental, permitting, taxation, socio-economic, marketing, and political factors and additional risk factors as listed in the “Cautionary Note Regarding Forward-Looking Information” section below.

Mineral Reserve Estimate

The Mineral Reserves for Blackwater are a subset of the Measured and Indicated Mineral Resources, described above. Proven and Probable Mineral Reserves are modified from Measured and Indicated Mineral Resources and are summarized in the table below. Inferred Mineral Resources are set to waste. Mineral Reserves are estimated in accordance with the CIM 2019 Best Practices Guidelines and are classified using the 2014 CIM Definition Standards.

Table 7 – Mineral Reserve Estimate

Classification	Run of Mine (Mt)	AuEq Grade (g/t)	Gold Grade (Au, g/t)	Contained Metal (Au, Moz.)	Silver Grade (Ag, g/t)	Contained Metal (Ag, Moz.)
Proven	325.0	0.78	0.74	7.8	5.8	60.5
Probable	9.1	0.84	0.80	0.2	5.5	1.6
Total Reserve	334.0	0.78	0.75	8.0	5.8	62.1

Notes:

1. The Mineral Reserve estimates were prepared by Marc Schulte, P.Eng. (who is also the independent Qualified Person for these Mineral Reserve estimates), reported using the 2014 CIM Definition Standards, and have an effective date of August 18, 2020.
2. Mineral Reserves are based on the PFS Life of Mine Plan.
3. Mineral Reserves are mined tonnes and grade, the reference point is the mill feed at the primary crusher and includes consideration for operational modifying factors.

4. Mineral Reserves are reported at an NSR cut-off grade of \$13.00/t.
5. Cut-off grade assumes US\$1,400/oz. Au and US\$15/oz Ag at a currency exchange rate of 0.75 US\$ per C\$; 99.9% payable gold; 95.0% payable silver; \$8.50/oz Au and \$0.25/oz Ag offsite costs (refining, transport and insurance); a 1.5% NSR royalty; and uses a 93% metallurgical recovery for gold and 55% recovery for silver.
6. The cut-off grade covers processing costs of \$10.00/t and administrative (G&A) costs of \$3.00/t.
7. The AuEq values were calculated using commodity prices of US\$1,400/oz Au, US\$15/oz Ag, a gold metallurgical recovery of 93% silver metallurgical recovery of 55%, and mining smelter terms for the following equation: $AuEq = Au\ g/t + (Ag\ g/t \times 0.006)$.
8. Numbers have been rounded as required by reporting guidelines.

There are no other known factors or issues that materially affect the Mineral Reserve estimate other than normal risks faced by mining projects in the province in terms of environmental, permitting, taxation, socio-economic, marketing, and political factors and additional risk factors as listed in the “Cautionary Note Regarding Forward-Looking Information” section below.

Project Description

Location

The Project is located in central British Columbia, approximately 160 km southwest of Prince George and 446 km northeast of Vancouver. The Project is accessible by major highway and access/service roads.

Artemis has a 100% recorded interest in 328 mineral claims covering an area of 148,688 ha distributed among the Property and the Capoose, Auro, Key, Parlane and RJK claim blocks. Surface rights over the Project area are controlled by the Crown.

Figure 1 – Blackwater Property Location Map



Project Development Plan

The Blackwater Project will comprise the construction, operation, and closure of an open pit gold and silver mine and ore processing facilities commencing with a nominal milling rate of 15,000 t/d (5.5 Mtpa). The ore processing facilities will be expanded to achieve 33,000 tpd (12 Mt/y) starting in year 6 with a final expansion to achieve 55,000 t/d (20 Mt/y) starting in year 11 of operation. A combined gravity circuit and whole ore leaching (WOL) will be used for recovering gold and silver.

The proposed mine plan involves mining 334 Mt of ore, 584 Mt of waste rock and 83 Mt of overburden. The material will be sourced via conventional open pit mining methods, initially targeting high-grade, near-surface ore for processing, with lower-grade material being stockpiled for processing at the end of the mine life.

Most of the waste material sourced from the pit will be used for construction of the tailings storage facility (“TSF”) or placed in the TSF itself. Overburden and non potentially acid generating waste rock not required for construction will be placed in stockpiles adjacent to the open pit. Potentially acid generating waste rock, along with tailings, will be deposited into the TSF located to the north/northwest of the open pit.

At closure, all buildings will be removed, disturbed lands rehabilitated, and the property returned to otherwise functional use according to future approved reclamation plans and accepted practices at the time of closure.

In addition to the site infrastructure, it is assumed that a 134 km, 230 kV transmission line will be constructed from the BC Hydro Glenannan substation near Endako, B.C. to the site to supply power to the Project.

Mining

Mining will be based on conventional open pit methods (drill-blast-load-haul) suited for the Project location and local site requirements. Open pit operations are anticipated to run for 18 years, excluding 15–18 months of pre-production mining. Following mining operations, stockpiled low-grade material will be processed for an additional five years, resulting in a total life-of-mine (“LOM”) of 23 years. The open pit will be developed with a series of pushbacks. The first stage will target suitable waste rock for construction whilst exposing near-surface, high-grade material. The second phase will target higher-grade, lower-strip-ratio ore providing mill feed over the initial years of the Project. The remaining stages expand the pit to the north targeting progressively deeper ore. LOM activities are summarized in Appendix A.

Owner-managed mining and fleet maintenance operations are planned for 365 days/year, with two 12-hour shifts planned per day. Initially, mining will be undertaken using 400 t class hydraulic shovels and 190 t payload class haul trucks. As production requirements increase, the load and haul fleet will be expanded with 550 t class hydraulic shovels and 220 t payload class haul trucks. The initial drill and loading fleet is planned to be diesel drive, with expansion fleet requirements being electric drive. The mine equipment fleet is planned to be purchased via lease arrangements.

Metallurgy & Process

The process flowsheet has been designed based on historical test work and more recent test work carried out in 2019 for New Gold.

The most recent metallurgical program, completed in 2019, was carried out with the primary objective of confirming and optimizing the flowsheet and design criteria using a combination of new test work, results from the historical and previous test work programs, and trade-off studies completed since the 2014 Feasibility Study. Drill core from site was sent to Base Metallurgical Laboratories Ltd. (BaseMet) in Kamloops, BC for test work that included core splitting, sample preparation, interval assaying, mineralogy, gravity concentration, cyanide leach and cyanide destruction.

The test program included three larger composites for optimization test work and 48 samples covering the deposit to establish the variability of the ore to the chosen flow sheet.

The mineralogy indicated that the sulphur content is mainly associated with pyrite, pyrrhotite and sphalerite. The comminution test work included semi-autogenous grind (“SAG”) mill comminution (“SMC”) on the new drill core, Bond rod mill work index (“RWI”), Bond ball mill work index (“BWi”) and abrasion index (“AI”) tests. The results indicate the material is hard with results ranging from 11.8 to 24.6 kWh/t and the 75th percentile of the samples tested was 21.1 kWh/t for the variability samples. A correlation between gold extraction and head grade was not observed. The variability composite results averaged 93.7% total gold extraction with gravity gold recovery of 34.2%.

Based on the test results, a gold doré can be produced with a primary grind size of 80% passing (“P₈₀”) 150 µm followed by gravity concentration, 2 hour pre-oxidation, a 48 hour cyanide leach at an initial cyanide concentration of 500 ppm and a pH of 10.5, carbon-in-pulp (“CIP”) adsorption, desorption and refining process. The weighted average of the year composites, based on the mine plan, is estimated to achieve an overall average gold recovery in the range of 93% to 94%.

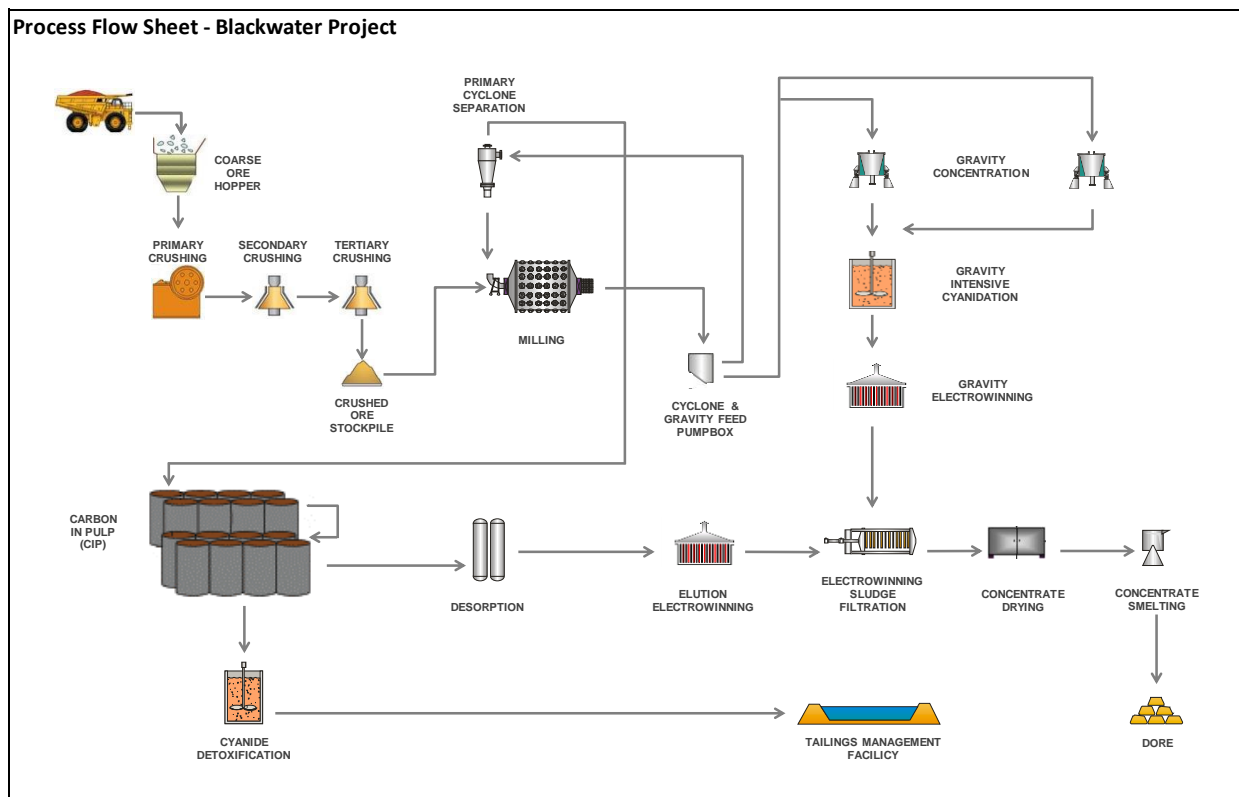
The initial design daily throughput is 15,000 tonnes per day, with an availability of 75% used in designing the crushing circuit and 93% for the design of the rest of the plant.

The process will consist of:

- Three stage crushing, consisting of a primary jaw crusher with grizzly feeder, a secondary cone crusher and two tertiary cone crushers. The primary jaw crusher, the three cone crushers and the three vibrating screens will each be housed in steel-framed buildings, with covered conveyors transporting material between each stage. The crushed ore stockpile will be covered to prevent freezing;
- Crushed ore will be conveyed from the stockpile to a single, 7.3 m x 12.5 m, 14 MW ball mill for grinding, with the circuit being closed by cyclones. Gravity concentration will be incorporated into the grinding circuit using centrifugal concentrators and an intensive cyanide leach unit for recovering gold from the gravity concentrate;
- The leach circuit will consist of eight tanks fitted with mechanical agitators, an initial pre-oxidation tank with cyanide being added to the second and subsequent tanks. The leach residence time will be 48 hours;

- Carbon in pulp adsorption of gold and silver will be carried out in a “carousel” unit, with “pump cells” moving leached slurry between the six tank units while the carbon remains in the same tank until fully loaded;
- The loaded carbon will be treated in a Zadra elution and electrowinning circuit consisting of an acid wash column and two elution columns operating at 140 degrees Celsius. A propane heater will provide the necessary temperature and two additional heat exchangers will control the temperature around the circuit. A rotary kiln operating at 700 degrees Celsius will be used to maintain carbon activity. Electrowinning will be carried out to recover gold and silver from the elution solution and the resulting metallic precipitate will be dried and smelted to doré bullion;
- Cyanide destruction using an SO₂ air system will be carried out in the final tailings slurry, with the sulfur dioxide being produced by the combustion of elemental sulfur.

Figure 2 – Blackwater Process Flow Sheet



Economic Results

Capital Cost Estimate

The Study outlines an initial capital cost estimate of \$592 million for Phase 1 (5.5 Mtpa), expansion capital of \$426 million for the Phase 2 expansion to 12.0 Mtpa, expansion capital of \$398 million for the Phase 3 expansion to 20.0 M tpa. Sustaining capital over the life of mine is estimated at \$637 million while closure costs are estimated at \$117 million, partially offset by proceeds from equipment salvage

values, estimated at \$42 million. The PFS factors a 15% contingency into all capital cost estimates with the exception of reclamation costs.

Table 8 – Blackwater Initial Capital Costs

Description	(\$ 000)
Mining	68,230
Process Plant	109,412
Tailings Management	37,271
On Site Infrastructure	68,423
Off Site Infrastructure	81,042
Total Direct Costs	364,380
Indirects and EPC	119,599
Owners Costs	30,634
Total Indirect Costs	150,233
Total Directs & Indirects	514,612
Contingency	77,192
Total Capex	591,804

The biggest drivers associated with the estimated expansion capital costs are the mobile fleet lease payments (\$121 million), modular expansion of the process plant (\$272 million) and indirect costs (\$108 million). Sustaining capital is estimated to average \$26 million per year in phase 1, ramping up to \$40 million per year in phase 2 and \$23 million per year in phase 3. Mobile fleet lease payments (\$289 million) and tailings management (\$190 million) are the primary drivers of sustaining capital costs.

Operating Costs

Table 9 - Operating Cost Estimate

	Units	Pre-strip	Phase 1	Phase 2	Phase 3	LOM
Mining*	\$/t Mined	3.31	2.15	2.14	2.62	2.37
	\$/t Milled	-	14.61	12.12	4.98	7.03
Process	\$/t Milled	-	9.17	8.31	8.24	8.33
G&A	\$/t Milled	-	4.64	2.87	1.91	2.30
Total	\$/t Milled	-	28.42	23.30	15.13	17.65

**Mining costs includes stockpile re-handle, LOM mining costs exclude pre-stripping*

The LOM operating cost estimates for Blackwater peak in Phase 1 at \$28.42/t, with economies of scale and driving down costs to C\$23.30/t in Phase 2 and \$15.13/t in Phase 3. Over the LOM, the Project has estimated average operating costs of C\$17.65/t.

All-in Sustaining Cash Costs per ounce (“AISC”)

The Study outlines robust economics for the Blackwater Project during all three stages of growth with annual production of 248,000 ounces of gold at an AISC of \$668/oz in Stage 1, growing to 420,000 ounces of gold per year at AISC of \$696 in stage 2 and smoothing out to 316,000 ounces of gold per year at an AISC of \$911 per ounce in stage 3. The higher AISC in Phase 3 is mainly attributed to the inclusion of closure costs at the end of the life of mine. Over the LOM, the Study estimates an AISC of \$811 per (or US\$616/oz) ounce on production of 7.45 million ounces of gold, which places the Project in the bottom quartile of the global cost curve for gold project (source: World Gold Council).

Selling Costs, Royalties and Taxes

Selling Costs

- Payable factor (Au) of 99.9%
- Payable factor (Ag) of 95.0%
- Refining, treatment, transport, and insurance charges of \$3/oz.

Royalties

The Study economics consider two private royalties at 1.0% and 1.5% over parts of the Mineral Reserve. Estimated payments to Indigenous nations are also included in the economic cash flow model for the Project.

Taxes

Key provincial and federal tax considerations for Blackwater includes:

- British Columbia mining tax – 2% provincial minimum tax payable on operating profits immediately upon the start of production which is creditable against the 13% effective mining tax rate which is calculated based on operating profit less applicable capital cost deductions. The mining tax is deductible in computing provincial and federal income tax;
- British Columbia provincial income tax – 12.0%, payable after applicable deductions are used;
- Canadian federal income tax – 15.0%, payable after applicable deductions are used.

Levered Case Assumptions

In the economic results for the Project, the Company presents a base case economic analysis, being unlevered, plus an alternate levered case. The levered case is based on the following assumptions:

- Initial capital 60% debt financed;
- Annual interest rate of 5.5%;
- Upfront financing fee of 3%;
- 7-year term post commencement of commercial production with a balloon payment of 30% of the principal at maturity;
- Expansion capital is assumed to be funded through operating cashflow.

Next Steps

Over the next 12 to 18 months, the Company will be focused on the following activities:

- Completing an NI 43-101 technical report in respect of the Study, which will be filed on SEDAR and on the Company's website within 45 days of this news release;
- Commencing a Feasibility Study based on this revised development approach with detailed engineering on the Project;
- Continuing engagement and negotiations with Indigenous nations who may be impacted by the Project;
- Completing supplemental geotechnical and hydrogeological site investigation work;
- Progressing and achieving final permitting required to commence Project construction;
- Commencing a pre-construction grade control drilling program;
- Planning for an exploration core drilling program to test for potential extensions of the known mineralization
- Awarding of lump-sum fixed price EPC contracts in respect of various Project construction components;
- Arranging of requisite debt and equity financing to support development activities

Figure 3 - Blackwater Project Proposed Schedule to Construction:

	2020				2021				2022	
	Sept	Oct	Nov	Dec	Q1	Q2	Q3	Q4	Q1	Q2
Filing of PFS Technical Report	█									
Grade Control Drilling for Phase 1		█	█	█						
Resource Expansion Drilling (North, Northwest & at Depth)			█	█	█	█				
Definitive Feasibility Study	█	█	█	█	█	█	█			
BC Government Permitting (Proposed)	█	█	█	█	█	█	█	█	█	
Federal Government Permitting (Proposed)	█	█	█	█	█	█	█	█	█	█
Engagement/Negotiations with Indigenous Nations	█	█	█	█	█	█	█	█	█	█
EPC Fixed Contract Negotiations					█	█	█			
Project Financing (Debt/Equity)					█	█	█	█	█	█
Start of Construction										█

Qualified Persons

The Qualified Persons that will prepare the technical report on the Study include: Marc Schulte, P.Eng., (MMTS), Tracey Meintjes, P.Eng. (MMTS), Sue Bird, P.Eng., (MMTS), Daniel Fontaine, P.Eng. (KP) and John A. Thomas, P. Eng (JAT Met Consulting). Each of the Qualified Persons has reviewed and approved the technical information contained in the Study and in this press release in their area of expertise and are independent of the Company.

Technical Disclosure

Data verification programs have included review of QA/QC data, re-sampling and sample analysis programs, and database verification. Validation checks have been performed on data, and comprise checks on surveys, collar co-ordinates and assay data.

In the opinion of MMTS, sufficient verification checks have been undertaken on the databases to provide confidence that the database is virtually error free and appropriate to support Resource and Reserve estimation.

Conference Call Details

The Company is hosting a live Q&A conference call on August 26 at 12:00 p.m. Eastern time (9:00 a.m. Pacific time) with the Artemis executive team. Participants may join the call by dialing:

Participant Dial-in Numbers:

International Toll: +1 (604) 638-5340

Toll Free – Canada/USA: +1 (800) 319-4610

Please provide the company name (Artemis Gold Inc.) to the operator. A recorded playback of the call will be available shortly after the call's completion for 30 days by dialing:

International Toll: +1 (604) 638-9010

Toll Free – Canada/USA: +1 (800) 319-6413

Enter the replay passcode: 5142, an MP3 recording will also be available on the Artemis website.

Updates will be provided in due course.

ARTEMIS GOLD INC.

On behalf of the Board of Directors

"Steven Dean"

Chairman and Chief Executive Officer

For further information:

Nick Campbell, VP Capital Markets, +1 (604) 558-1107.

Chris Batalha, CFO and Corporate Secretary, +1 (604) 558-1107.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Information

*This news release contains certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian and U.S. securities laws (together, "**forward-looking statements**"). Forward-looking statements can generally be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans", "potential" or similar terminology. Forward-looking statements in this news release include, but are not limited to, statements and information related to the results of the PFS; estimates of mineral reserves and mineral resources; the Project development and mining plans; commencement of a Feasibility Study; engagement and negotiations with Indigenous nations; completing supplemental geotechnical*

and hydrogeological site investigation work; progressing and achieving final permitting; commencement of drilling and exploration programs; awarding lump-sum fixed price EPC contracts for the construction of the Project; arranging debt and equity financings to support development activities; the merits of the Project; the Company's plans and objectives with respect to the Project and the timing related thereto, including with respect to permitting, construction, improved economics and financeability, and de-risking development risks; and other statements regarding future plans, expectations, guidance, projections, objectives, estimates and forecasts, as well as statements as to management's expectations with respect to such matters.

Forward-looking statements and information are not historical facts and are made as of the date of this news release. These forward-looking statements involve numerous risks and uncertainties and actual results may vary. Important factors that may cause actual results to vary include without limitation, risks related to the ability of the Company to accomplish its plans and objectives with respect to the PFS and the Project within the expected timing or at all, including the ability of the Company to improve the economics and financeability and de-risk the Project; the timing and receipt of certain approvals, changes in commodity and power prices, changes in interest and currency exchange rates, risks inherent in exploration estimates and results, timing and success, inaccurate geological, mining, and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources), changes in development or mining plans due to changes in logistical, technical or other factors, unanticipated operational difficulties (including failure of plant, equipment or processes to operate in accordance with specifications, cost escalation, unavailability of materials, equipment and third party contractors, delays in the receipt of government approvals, industrial disturbances or other job action, and unanticipated events related to health, safety and environmental matters), political risk, social unrest, and changes in general economic conditions or conditions in the financial markets. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, the assumptions that: (1) market fundamentals will result in sustained mineral demand and prices; (2) the receipt of any necessary approvals and consents in connection with the development of any properties; (3) the availability of financing on suitable terms for the development, construction and continued operation of any mineral properties; and (4) sustained commodity prices such that any properties put into operation remain economically viable. The actual results or performance by the Company could differ materially from those expressed in, or implied by, any forward-looking statements relating to those matters. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the PFS, results of operations or financial condition of the Company. Except as required by law, the Company is under no obligation, and expressly disclaim any obligation, to update, alter or otherwise revise any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Non-IFRS Performance Measures

The Company has included certain non-IFRS measures in this news release. The company believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Project. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable with other issuers.

Cash Costs

Cash costs are a common financial performance measure in the gold mining industry but with no standard meaning under IFRS. Artemis considers and discloses total cash costs on a sales basis. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, such as sales, certain investors use this information to evaluate the Project's performance and ability to generate operating earnings and cash flow from its mining operations. Management uses this metric as an important tool to monitor cost performance.

Cash costs include production costs such as mining, processing, refining and site administration, less non-cash share-based compensation, less gross revenue generated from silver sales, divided by gold ounces sold to arrive at total cash costs per gold ounce sold. Costs include royalty payments and permitting costs. Other companies may calculate this measure differently.

All-in Sustaining Costs

The Company believes that AISC more fully defines the total costs associated with producing gold. The Company typically calculates all-in sustaining costs as the sum of total cash costs (as described above), corporate general and administrative expense (net of stock-based compensation), reclamation and sustaining capital, all divided by the gold ounces sold to arrive at a per ounce figure. Other companies may calculate this measure differently as a result of differences in underlying principles and policies applied. Differences may also arise due to a different definition of sustaining versus growth capital.

Note that in respect of AISC metrics within the Study, as such economics are disclosed at the project level, corporate general and administrative expenses are not included in the AISC calculations.



Appendix A: Average Proposed Annual Mine Production for the Blackwater Project

Average Mine Production:													
	Year	LOM	Y-2	Y-1	Y1	Y2	Y3	Y4	Y5	Y6-Y10	Y11-Y15	Y16-Y20	Y21-Y23
Average Annual Resource Milled	ktonnes	334,048	-	-	4,500	5,500	5,500	5,500	5,500	12,000	20,000	20,000	15,849
AU	g/t	0.75	-	-	1.65	1.70	1.61	1.42	1.46	1.17	0.75	0.49	0.30
AG	g/t	5.78	-	-	8.83	7.12	7.52	8.04	7.22	7.75	3.84	5.85	6.16
TOTAL Resource Mined from Pit	ktonnes	334,048	-	481	10,808	13,717	12,565	14,381	15,624	23,335	21,794	8,166	-
AU	g/t	0.75	-	0.40	0.92	0.92	0.92	0.77	0.77	0.74	0.68	0.76	
AG	g/t	5.78	-	5.73	6.54	5.73	6.30	7.47	5.72	7.97	3.41	4.96	
Resource Mined Directly to Mill	ktonnes	208,706	-	-	4,500	5,500	5,500	5,500	5,500	11,600	18,000	6,841	-
AU	g/t	1.00	-	-	1.65	1.70	1.61	1.42	1.46	1.19	0.77	0.86	
AG	g/t	5.52	-	-	8.83	7.12	7.52	8.04	7.22	7.79	3.53	5.24	
TOTAL Waste Mined	ktonnes	667,107	1,100	8,343	16,081	14,891	14,935	36,331	30,466	44,775	55,736	8,481	-
Operational Strip Ratio		2.0	-	-	3.6	2.7	2.7	6.6	5.5	3.7	2.8	0.4	-
Total Material Mined	ktonnes	1,001,155	1,100	8,824	26,889	28,608	27,500	50,712	46,089	68,109	77,530	16,647	-
Total Material Moved	ktonnes	1,126,496	1,100	8,824	26,889	28,608	27,500	50,712	46,089	68,509	79,530	29,807	15,849
Gold Production	000 oz.	7,450			222	280	265	234	240	420	446	292	140
AISC/oz. (Au)	\$/oz.	811			715	629	641	686	686	696	932	801	1,177