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ARTEMIS ACQUIRES STAKE IN HIGHLY PROSPECTIVE URANIUM PROJECTS IN NIGER, WEST AFRICA

Key points:

- Artemis subsidiary to take 51 per cent interest in two Uranium Projects in Niger (West Africa)
- Tenements are within the highly prospective Tim Merso basin in Niger and adjacent to Tegguida uranium deposit (15,000 tonne U₃O₈) currently being developed by China's CNNC
- Niger is one of the world's largest producers of uranium
- Artemis joins other major mining and exploration companies in Niger including Areva, Rio Tinto and Uramin to conduct exploration in one of the world's richest uranium provinces

Specialist resources house Artemis Resources Limited ("Artemis") has, through its subsidiary Artemis Mining Corporation Pty Limited ("Arminco"), entered into a Joint Venture (JV) agreement with Trendfield Holdings Limited ("Trendfield") to acquire two highly prospective uranium projects in the West African nation of Niger. (Refer to further information below).

Under the terms of the agreement Arminco will acquire an initial interest of 49 per cent interest in the assets by way of a payment of US\$500,000 and 1,000,000 shares. A further US\$500,000 will be paid to the joint venture to fund the first year exploration programme plus commitment to fund exploration for years two and three under the terms of the exploration concession.

Stage two of this transaction relates to the confirmation of a JORC compliant resource on the project. Following the receipt of the Probable Reserve Report, on or before 31 October 2009, that confirms Uranium Oxide U₃O₈ of an amount equal to or greater than the Agreed Minimum Reserve of 6,000 tonnes of U₃O₈, Arminco will acquire an additional two per cent shareholding in the JV Company taking its interest to 51 per cent for an additional US\$2,500,000, payable in either cash or Artemis shares, at the election of Trendfield plus 1,500,000 Artemis shares.

Niger is one of the world's largest uranium producers and is ranked behind only Canada, Australia and Kazakhstan in terms of production and total known uranium reserves. In 2005 Niger produced 3,093 tonnes of uranium from two mines operated by AREVA (COGEMA) situated north of the JV project area:

- The SOMAIR mine in Arlit. An open pit resource that has produced more than 45,000 tonnes of uranium at an average grade of 0.2 % U₃O₈ over a 30+ year history
- The COMINAK mine at Akouta. A higher grade underground mine that has produced over 55,000 tonnes of uranium at an average grade of between 0.4-0.5 % U₃O₈.
- The two operating mines have a combined reserve of approximately 43,000 tonnes of uranium at average grade of between 0.3% and 0.5%

Both operating mines are located in the same stratigraphic unit as the two projects which form part of Artemis' joint venture. The joint venture ground covers approximately 1,000 km² and is situated adjacent to a major uranium deposit (Teguidda) currently being developed by the state owned Chinese nuclear company CNNC. The projects are also close to all necessary infrastructure.

CNNC's Teguidda uranium project contains 15,000 tonnes at 0.2% U₃O₈ and is currently being developed with the aim of production in the near term.

Several other unmined uranium resources occur in the region including Imouraren (120,000 tonnes at 0.11% U₃O₈) and Madaouela (6,190 tonnes at 0.2-0.3% U₃O₈).

As part of the Artemis due diligence program, the Company engaged the services of SRK Consulting to review several uranium exploration tenements in the Tim Merso Basin in Niger. SRK and Artemis personnel visited Niger and investigated the quality of these tenements in relation to their economic potential for uranium prior to Artemis entering into the joint venture with Trendfield. The SRK review concluded that "the potential for relatively shallow blind uranium resources in the TAG 2 and 4 tenements appears to be very good."

Artemis Chairman Sevag Chalabian believes this transaction will give the Company an exceptional exposure to a world-class project area.

"After detailed review, Artemis is confident that the exploration tenements acquired by way of this joint venture have a strong potential for the identification of an economic Uranium resource," Mr Chalabian said.

"We believe that by spending time evaluating all the available tenements we have picked those with the best chance of economic success."

"This is a great result for an Australian exploration company to gain exposure to a highly prospective uranium province. Artemis now joins a number of major mining companies including Areva, Rio Tinto, CNNC and Uramin."

"These majors have kick-started a new wave of exploration for Uranium in Niger, not seen in the country since the late 1960's and 70's."

"Importantly, under the terms of this agreement the majority of the funds will be used in the ground, which means the joint venture will soon embark on an aggressive exploration program to delineate the true nature of any potential resources and bring this project to JORC compliant status in the shortest possible time-frame."

This transaction is subject to shareholder approval and as such the company expects to advise shareholders shortly of further details in relation to this transaction.

For further information, please call Barry Woodhouse on 9488 5266 OR David Tasker on 9388 0944

About Artemis Resources Limited

Artemis Resources Limited, a diversified Australian resources company focused on direct exploration and investments in the resource sector.

Artemis aims to establish a specialist resource investment house, with a diversified portfolio of investment in projects as well as investments in resource companies. The Company currently has direct interests in gold (total inferred resources of approximately 70,000 ounces of gold) and a Molybdenum-Copper project in Western Australia, and is examining a number of resource opportunities in Australia and overseas. The Company also has exposure to the uranium sector with a strategic interest in uranium developer Contact Uranium Limited (ASX Code: CTS) and a 51% Uranium JV interest in Niger.

Special Adviser Tony Grey has been appointed to assist Artemis in the development of the Company's assets. Mr Grey has over 30 years experience in the resource sector including as founder of Pancon, Chairman of International Ferrochrome and director of Mega Uranium.

Further Information:

Terms of Joint Venture Agreement

The two project tenements are granted concessions under the Niger Mining Code. The concessions may be converted to mining leases should the project be developed.

Consideration

Stage 1

- Initially, Arminco which is controlled by Artemis with a 51% interest will acquire an aggregate 49% shareholding in the Niger JV Company ("JV Company") by a combination of subscription in the JV Company and purchase of shares in the JV Company from the Trendfield SPV Company for the following aggregate consideration:
 - US\$500,000 in cash paid to the Trendfield SPV Company on or before 31st December 2007 subject to, by that time, the definitive agreement for the subscription and sale and purchase of shares has been executed.
 - US\$500,000 in cash to be paid to the JV Company on or before the 31st December 2007 provided that this amount shall be used to pay for the first year's exploration costs.
- Additionally, a facilitation fee will be paid to Trendfield in the form of 1,000,000 shares in Artemis on the date of the signing of the definitive agreement for the subscription and sale and purchase of shares of the JV Company.

In addition to the above, Arminco will be responsible for funding of the following exploration costs in years 2 and 3 on the basis that initial exploration results warrant further exploration based on minimum expenditure commitments terms in the exploration concession.

Stage 2

Arminco will acquire an additional 2% shareholding in the JV Company to a controlling 51% shareholding in the JV Company on the following terms.

Following the receipt of the Probable Reserve Report and subject to the Probable Reserve Report being issued by 31 October 2009 that will confirm Uranium Oxide U308 of an amount equal to or greater than the Agreed Minimum Reserve, Arminco will complete the acquisition of an additional 2% shareholding in the JV Company. The consideration will be as follows:

- US\$2,500,000, payable in either cash or Artemis shares, at the election of Trendfield. If Trendfield elects to take Artemis shares, the number of shares is to be calculated by reference to the volume weighted share price over a thirty day trading period immediately following the announcement of results of the Probable Reserve Report to the Australian Stock Exchange by Artemis; and
- 1,500,000 Artemis shares.
- Trendfield will receive an additional payment if a Probable Reserve of Uranium Oxide is established on the project by 31 October 2009 or elect to take a royalty interest of 2.5%.

An Inferred Resource Report will be prepared (a term defined under the JORC code and Australian Stock Exchange) on Uranium Oxide U308 (the "**Inferred Resource Report**") by 31 October 2009. Following the preparation of the Inferred Resource Report, a Probable Reserve Report will also be prepared (a term defined under the JORC code and Australian Stock Exchange) or a [43-101] report (a term is defined by the Toronto Stock Exchange) on Uranium Oxide U308 (the "**Probable Reserve Report**"), and subject to this Probable Reserve Report confirming a minimum level of reserve of 6,000 tonnes of Uranium Oxide U308 (the "**Agreed Minimum Reserve**").

Somerley Limited, a Hong Kong based merchant bank and other consultants assisted Artemis in this transaction. The Company also proposes, subject to shareholder approval, to issue to advisers involved in the transaction a total of 9,000,000 shares 4,500,000 options at a strike price of 30 cents per option exercisable before 30 June 2009 with further performance bonuses to be paid to the advisers based on any increase in the Company's market capitalisation. The Company also proposes, subject to any regulatory and shareholder approval, to place a further 2,000,000 shares at 25 cents per share to raise \$500,000 (with 1-for-2 attaching options at a strike price of 25 cents per option exercisable before 30 June 2009). Full details will be included in materials to be sent to shareholders.

Background on Niger Uranium Industry

Key points regarding the Niger uranium industry include:

- Niger is one of the most important uranium-bearing provinces of the world.
- Its contribution to past uranium production has already been mentioned as one of the few countries in the world showing a cumulative production in excess of 100,000t of uranium
- Its remaining uranium resources recoverable at less than US\$15 per pound of U₃O₈ (uranium oxide) are estimated at more than 200,000t of uranium. Total reserves (tonnes of U recoverable as concentrates) ranked fourth in the world
- Enjoying more than thirty years of safe, efficient and smooth operations, Niger production appears as an essential component for a suitable stability of world uranium supply, particularly for the European Union
- The remaining reserves and resources are sufficient to sustain a stable production far into the coming decades.
- Niger's ore-bodies are by far the richest on the African Continent and are comparable or higher than those mined in Australia.

The resources base already identified in Niger means that several more decades of production are very likely, and the geological appraisal of the overall potential provides an even more optimistic view.

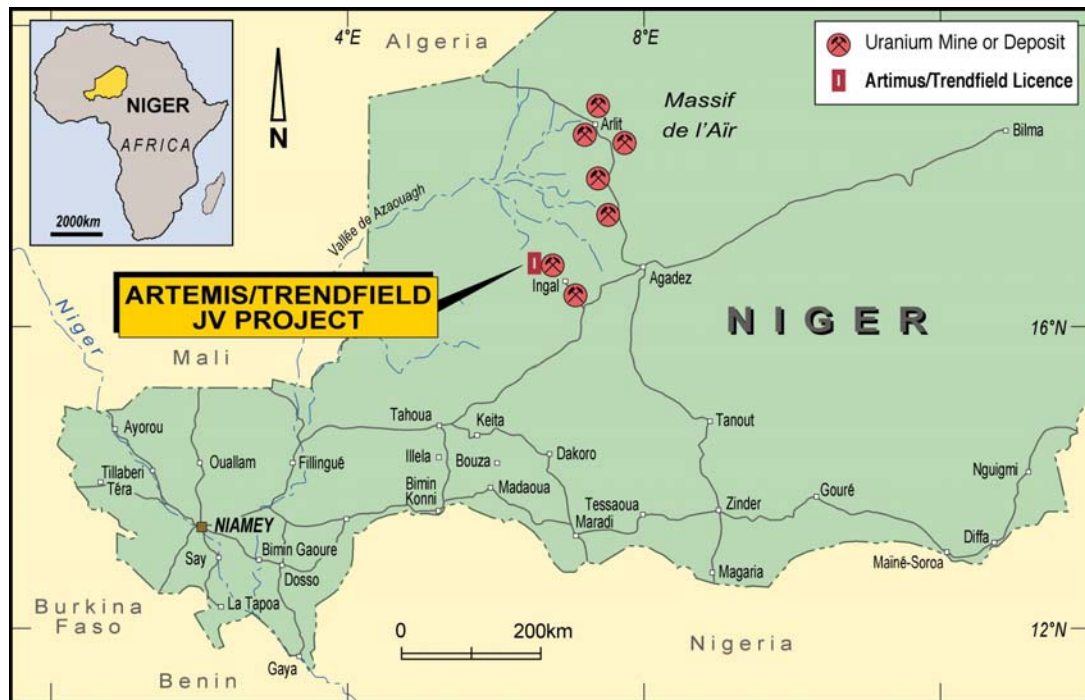


Figure 1 – Artemis Resources Limited - Uranium project location

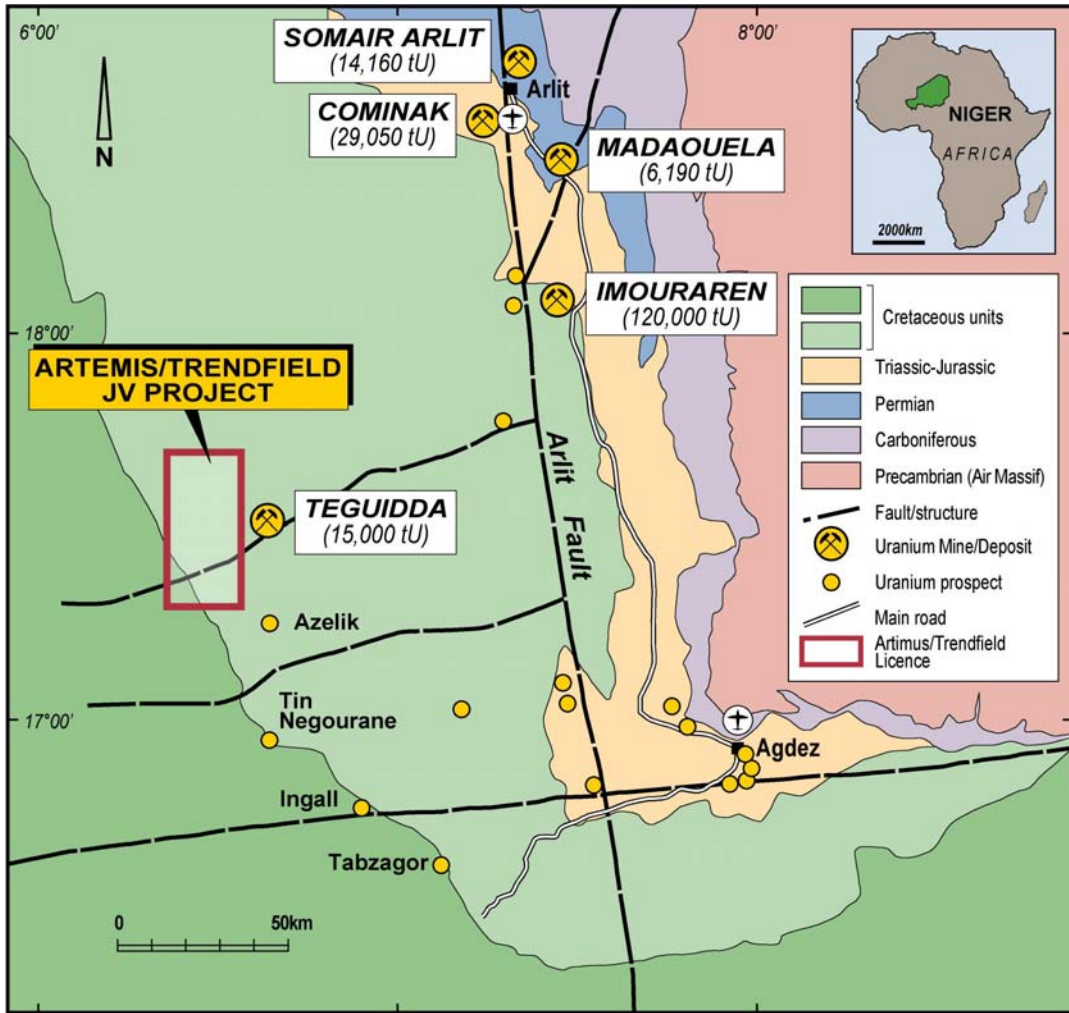


Figure 2 - Artemis Resources Limited – Regional Geology of Project Area