

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and six months ended June 30, 2024

ARTEMIS GOLD INC.

Dated August 13, 2024



ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations For the three and six months ended June 30, 2024

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 six months ended June 30, 2024, 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 six months ended June 30, 2024 ("**Q2 2024**" and "**YTD 2024**", respectively) and June 30, 2023 ("**Q2 2023**" and "**YTD 2023**", respectively) and the related notes thereto ("**Interim Financial Statements**") and other corporate filings of the Company, including the Company's audited consolidated financial statements for the year ended December 31, 2023 ("**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 IFRS Accounting 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 noted. 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 Mine located in central British Columbia ("**Blackwater**" or the "**Blackwater Mine**") 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**"). The Company previously issued a technical report entitled "Blackwater Gold Project, NI 43-101 Technical Report on Updated Feasibility Study" with an effective date of September 10, 2021 (the "**2021 Feasibility Study**"). On February 21, 2024, the Company announced the results of an expansion study to optimize the timing of expansion of Blackwater through the advancing of Phase 2 to year 3 of operations at an increased production capacity of 15 million tonnes per annum ("**Mtpa**"), and Phase 3 to year 7 of operations at an increased production capacity of 25 Mtpa (the "**Expansion Study**"). Both the 2021 Feasibility Study and the Expansion Study news release are 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) under the name 1193490 B.C. Ltd. The Company's common shares are traded on the TSX Venture Exchange ("**TSXV**") under the symbol "ARTG".

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

4. HIGHLIGHTS AND KEY BUSINESS DEVELOPMENTS

Corporate highlights since the prior quarter:

The Company continued to focus on the development and construction of the Blackwater Mine through:

- (i) advancing major works construction activity to approximately 87% complete as at June 30, 2024, within

ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations For the three and six months ended June 30, 2024

the guidance for initial capital expenditure of \$730 to \$750 million and on schedule for first gold pour in Q4 2024; and

- (ii) completing the final draw on June 21, 2024 of \$80 million under the Company's \$360 million Project Loan Facility ("PLF").

5. DEVELOPMENT OF BLACKWATER

Key milestones achieved

During the quarter ended June 30, 2024, the Company completed the following activities to reduce the project execution risk associated with Blackwater:

(i) Construction Update

Construction of the water management pond, excavation and backfill of the cutoff trench area through Mine Creek in the tailings storage facility, and the earthworks and lining of the central water management pond were completed. Work on the tailings storage facility continues to progress well with increased productivity and material movements through the quarter.

Total major works hours worked up to June 30, 2024 surpassed 2.5 million hours with a zero Lost Time Injury Frequency Rate and an All Injury Frequency Rate of 78.44.

Process Plant

At the end of June 2024, the Sedgman EPC contract work on the processing plant was approximately 90% complete overall, with engineering, design and procurement materially complete.

Equipment installation was a key focus area for Q2 2024 as well as installation of structural steel, conveyors, platework, pipework, and electrical infrastructure. Installation of the primary crusher commenced, and utilities were installed across the crushing circuit, allowing for pre-commissioning activities on the crushing circuit to commence. Mill installation advanced, while the cyclone, gravity concentrators and the sulphur burner were installed. Cladding of the reagents building was completed, and the mill building will soon be ready to be clad following final equipment installation. Hydro testing of the process and raw water tanks was completed, and tank infrastructure completed, with tank top installations well advanced.

Early pre-commissioning activities in the crushing area of the process facility is underway.

Transmission Line

During Q2 2024 the transmission line continued to advance on schedule. The line is being built in two parts, north and south of the Nechako River. The length of the northern section is approximately 50km and the southern section is approximately 80km.

In the North section, 98% of foundations are complete, 97% of pole structures are installed, 95% of structural frames are complete and 25% of the conductor was installed.

In the South section, 91% of foundations are complete, 84% of pole structures are installed, 69% of structural frames are complete and 10% of the conductor was installed.

ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations For the three and six months ended June 30, 2024

Upgrades to the BC Hydro Glenannan substation were completed, while commissioning planning with BC Hydro is advancing as planned.

The main 25 kV electrical substation to power infrastructure at Blackwater Mine was installed, and pole installation and conductor stringing across the asset is well progressed.

Heavy Equipment

During Q2 2024, construction and commissioning of the initial phase of the mining fleet was completed, with two 400-tonne hydraulic backhoe excavators, nine 240-tonne rigid frame haul trucks, and two large mining front-end loaders now fully assembled. The fleet to support initial operations is now complete. Additional units are on-site and are currently being assembled, with the intent to add these to the fleet as operations ramp up.

Personnel

The Company maintained its workforce of approximately 350 employees in Q2 2024 and the ratios of the workforce have remained consistent, approximately:

- 20% of the team are women;
- 30% identify as Indigenous;
- 45% are from the local region, and
- 80% are B.C. residents.

The total Blackwater Mine workforce, including staff and contractors employed at the mine site and along the transmission line, surpassed 800 at the end of June 2024.

Operational Readiness

Recruitment of personnel for the Blackwater Mine operations commenced earlier this year and the full operations management team is now in place.

Key personnel have been mobilized to initiate pre-commissioning activities in the crushing area.

Operations preparation and integration is now underway.

Wildfire Response

On July 22, 2024, the Company announced that it responded to a wildfire evacuation order issued across a region that included the Blackwater Mine. The Company proactively removed all non-essential staff and contractors from site and took the necessary precautions to safeguard the asset, with essential staff remaining. On July 26, 2024, the Company announced the evacuation order had been lifted, and began an expedient, staged return of employees and contractors to site. The mine site was not impacted by any wildfires.

(ii) Receipt of final draw of \$80 million under the PLF

During Q2 2024, the Company completed its final draw of \$80 million under the PLF, bringing the total drawn to \$360 million. As at June 30, 2024, the Company has capitalized approximately \$12 million of the \$25 million available in capitalized interest under the PLF.

ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations
For the three and six months ended June 30, 2024

6. DISCUSSION OF OPERATIONS

The following information has been derived from the unaudited Interim Financial Statements for the three and six months ended June 30, 2024 and 2023 and should be read in conjunction with the Company's Interim Financial Statements, which are available on www.sedarplus.ca.

	Q2 2024	Q2 2023	YTD 2024	YTD 2023
	\$	\$	\$	\$
Operating expenses				
Depreciation	170,339	171,469	340,679	337,945
Management fees and wages	1,304,614	1,308,781	3,192,536	2,812,553
Investor relations and corporate development	136,355	110,385	240,697	253,849
Office, insurance and general	491,345	559,957	869,562	1,131,714
Professional fees	216,321	262,809	520,706	603,957
Share-based payments	2,155,150	1,214,990	4,002,604	1,959,975
Loss from operations	(4,474,124)	(3,628,391)	(9,166,784)	(7,099,993)
Other (expense) income				
Interest expense on lease liability	(18,422)	(28,912)	(39,722)	(60,440)
Accretion expense on asset retirement obligation	(108,768)	(81,887)	(171,100)	(111,975)
Equity loss from investment in associate	(73,518)	(146,478)	(166,259)	(331,456)
Change in fair value of derivatives	(1,051,853)	-	(2,829,208)	-
Interest income	-	734,023	-	2,639,132
Net loss and comprehensive loss	(5,726,685)	(3,151,645)	(12,373,073)	(4,964,732)
Loss per common share				
Basic and diluted	(0.03)	(0.02)	(0.06)	(0.03)
Weighted average number of common shares outstanding				
Basic and diluted	202,671,299	196,677,668	201,075,812	194,965,745

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

Share-based payments

Share based payments increased by \$0.9 million and \$2.0 million when comparing Q2 2024 to Q2 2023 and YTD 2024 to YTD 2023, respectively. The increase for both periods is primarily due to the impact of additional stock options, restricted share units ("RSUs") and deferred share units ("DSUs") issued during Q1 2024, as well as the impact of an increase in the Company's share price on previously granted cash-settled RSUs and DSUs.

Change in fair value of derivatives

The change in fair value of derivatives is a result of changes in fair value of the Company's zero cost gold collars ("Gold Collars") entered into during Q4 2023. The expense of \$1.1 million and \$2.8 million for Q2 2024 and YTD 2024, respectively, was largely the result of an increase in forward price curves for gold denominated in Canadian dollars.

Interest income

Interest income decreased by \$0.7 million and \$2.6 million when comparing Q2 2024 to Q2 2023 and YTD 2024 to YTD 2023, respectively. The decrease for both periods is a result of the interest income associated with the

ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations For the three and six months ended June 30, 2024

proceeds received from the PLF being capitalized to mineral property following commencement of Major Works construction and utilization of the PLF.

7. 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 Condensed Consolidated Interim Financial Statements for each of the past quarters.

	Q2 2024	Q1 2024	Q4 2023	Q3 2023
	\$	\$	\$	\$
Revenue	-	-	-	-
Net loss	(5,726,685)	(6,646,388)	(3,901,301)	(2,579,098)
Basic and diluted loss per share	(0.03)	(0.03)	(0.02)	(0.01)
Cash dividend declared per share	-	-	-	-
	Q2 2023	Q1 2023	Q4 2022	Q3 2022
	\$	\$	\$	\$
Revenue	-	-	-	-
Net loss	(3,151,645)	(1,813,087)	(1,836,906)	(12,959,846)
Basic and diluted loss per share	(0.02)	(0.01)	(0.01)	(0.08)
Cash dividend declared per share	-	-	-	-

The Company is focused on the development of the Blackwater Mine 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, equity accounting associated with the Company's interest in Velocity Minerals Ltd. ("VLC"), and changes in fair value of derivatives associated with the Gold Collars.

In addition to the foregoing, the predominant reason for fluctuations in net loss from one quarter to another were share-based payments associated with the expansion of the management team towards the development of the Blackwater Mine, changes in the Company's share price impacting the value of RSUs and DSUs issued under the Share Unit Plan, non-cash impairment or dilution charges related to the investment held in VLC, and changes in fair value of derivatives:

	Q2 2024	Q1 2024	Q4 2023	Q3 2023
	\$	\$	\$	\$
Share-based payments	(2,155,150)	(1,847,454)	(1,609,470)	(897,827)
Change in fair value of derivatives	(1,051,853)	(1,777,355)	-	-
	Q2 2023	Q1 2023	Q4 2022	Q3 2022
	\$	\$	\$	\$
Share-based payments	(1,214,990)	(744,985)	(817,217)	(1,356,272)
Impairment loss on equity investment	-	-	-	(9,889,867)

ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations
For the three and six months ended June 30, 2024

8. 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 commencement of production and the mine is operating in the manner intended by management. The Company's net assets and working capital position were as follows:

	As at June 30, 2024 \$	As at December 31, 2023 \$
Assets		
Cash and cash equivalents	111,254,755	156,590,674
Other current assets	18,497,476	10,234,647
Current assets	129,752,231	166,825,321
Restricted cash	4,464,850	15,126,227
Other non-current assets	1,319,579,065	938,822,800
TOTAL ASSETS	1,453,796,146	1,120,774,348
Liabilities		
Other current liabilities	126,537,888	57,044,673
Current liabilities	126,537,888	57,044,673
Non-current liabilities	746,386,364	482,374,220
TOTAL LIABILITIES	872,924,252	539,418,893
NET ASSETS	580,871,894	581,355,455
WORKING CAPITAL⁽¹⁾	3,214,343	109,780,648

(1) Working capital is defined as current assets less current liabilities.

As at June 30, 2024, the Company had the following undiscounted contractual commitments and obligations:

	< 1 year \$	2 - 3 years \$	4 - 5 years \$	> 5 years \$	Total \$
Accounts payable and accrued liabilities	86,700,942	-	-	-	86,700,942
Lease liabilities	9,689,547	41,463,390	41,018,878	13,772,507	105,944,322
Construction commitments	79,002,011	-	-	-	79,002,011
Master lease agreement and other capital commitments	68,285,899	10,381,074	-	-	78,666,973
Variable consideration payable	-	-	56,000,000	28,000,000	84,000,000
Long-term debt	52,290,388	266,410,734	108,177,687	56,980,791	483,859,600
Asset retirement obligation	1,256,572	-	-	51,067,344	52,323,916
Total	297,225,359	318,255,198	205,196,565	149,820,642	970,497,764

As at June 30, 2024, the Company had undiscounted contractual commitments of \$297.2 million due in the next twelve months.

At the same date, the Company had current assets of \$129.8 million, which included cash and cash equivalents of \$111.3 million. The Company also had the following additional committed sources of funding available:

ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations For the three and six months ended June 30, 2024

- approximately \$13 million of capitalized interest remaining available under the PLF; and
- a cost overrun facility of \$40 million.

In addition, the Company had 20.5 million warrants outstanding which are exercisable at \$1.08 per warrant before August 27, 2024, for anticipated proceeds of \$22 million.

As at the date of this MD&A, the Company expects that its current assets, proceeds from the Company's remaining warrants, undrawn amounts under the COF, remaining capitalized interest under the PLF, future cash flows associated with mining operations, and remaining amounts available on the mobile equipment master lease agreement provide sufficient resources available to meet its contractual obligations for the following 12 months.

Phase 1 construction of the Blackwater Mine is fully funded. However, if certain conditions do not materialize in the manner or timing intended by the Company, it may need to fund such planned expenditures from the potential 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.

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

Contingencies

The Company may become subject to legal proceedings, claims, regulatory investigations and other proceedings in the ordinary course of its business, including the action(s) described below.

The Company is currently involved in a dispute with one of its contractors, which may result in litigation. Such litigation, if it occurs, may be ongoing for an extended period of time. The Company does not currently expect that the matter will result in a material net liability and has not raised any provisions in relation thereto. The Company will continually monitor and reassess the likelihood and magnitude of any net liability associated with these proceedings.

Cash Flows

	Q2 2024	Q2 2023	YTD 2024	YTD 2023
	\$	\$	\$	\$
Net cash used in operating activities	(913,437)	(979,534)	(6,116,741)	(4,936,410)
Net cash used in investing activities	(124,557,645)	(106,072,447)	(253,444,554)	(179,138,948)
Net cash provided by financing activities	82,213,228	63,982,348	214,225,376	53,509,388
Change in cash and cash equivalents	(43,257,854)	(43,069,633)	(45,335,919)	(130,565,970)
Cash and cash equivalents, beginning	154,512,609	106,593,035	156,590,674	194,089,372
Cash and cash equivalents, ending	111,254,755	63,523,402	111,254,755	63,523,402
Restricted cash, ending	19,278,613	10,671,571	19,278,613	10,671,571
Total cash and cash equivalents and restricted cash, ending	130,533,368	74,194,973	130,533,368	74,194,973

Cash flows from operating activities

Net cash used in operating activities remained consistent when comparing Q2 2024 to Q2 2023. Net cash used in operating activities increased by \$1.2 million when comparing YTD 2024 to YTD 2023. The increase is primarily

ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations For the three and six months ended June 30, 2024

due to changes in working capital associated with accounts payable and accrued liabilities due to timing of payments.

Cash flows from investing activities

Net cash used in investing activities increased by \$18.5 million and \$74.3 million when comparing Q2 2024 to Q2 2023 and YTD 2024 to YTD 2023, respectively, primarily due to the timing of the commencement of Major Works construction during Q2 2023.

Cash flows from financing activities

Cash provided by financing activities increased by \$18.2 million when comparing Q2 2024 to Q2 2023, primarily due to the completion of the final draw on the PLF of \$80 million during Q2 2024, while the Company received \$60.2 million under the gold and silver streams in Q2 2023.

Cash provided by financing activities increased by \$160.7 million when comparing YTD 2024 to YTD 2023, primarily due to the completion of the second and final draws on the PLF totaling \$210 million during YTD 2024, while the Company received \$60.2 million under the gold and silver streams in YTD 2023.

Use of Proceeds

The following table includes a comparison of actual use of proceeds, for the most recently completed financial year, to previous disclosures made by the Company:

	Intended use of proceeds \$	Actual use of proceeds \$
Proceeds from first draw-down on the PLF	150,000,000	
Proceeds from second draw-down on the PLF	130,000,000	
Proceeds from final draw-down on the PLF	80,000,000	
Total net proceeds	360,000,000	
Advancing development of Blackwater and general working capital	360,000,000	248,745,245
Remaining in treasury	-	111,254,755
Total net proceeds	360,000,000	360,000,000

The balance of the proceeds remaining in treasury is intended to be applied towards (i) ongoing compliance costs, (ii) development expenditures for Phase 1, including the costs associated with Sedgman under the EPC Contract, (iii) development of offsite infrastructure including road access and power supply to the Blackwater Mine, (iv) costs associated with partnering with First Nations groups, and (v) general corporate purposes.

During Q2 2024, the Company completed its final draw of \$80 million under the PLF, to be used for the purposes described above.

9. 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 a cost basis while share-based compensation is measured at the fair value of the instruments issued, with the expense recognized over the relevant vesting periods.

ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations For the three and six months ended June 30, 2024

Key management personnel transactions for Q2 2024 included compensation paid to the Company's directors (Messrs. David Black, Ryan Beedie and Dale Andres, Mss. Elise Rees and Lisa Ethans and Dr. Janis Shandro), as well as the Company's Chief Executive Officer (Mr. Steven Dean), President and Chief Operating Officer (Mr. Jeremy Langford), Chief Financial Officer (Mr. Gerrie van der Westhuizen), and Chief ESG Officer (Candice Alderson).

Compensation awarded to key management personnel for the three and six months ended June 30, 2024 and 2023, was:

	Q2 2024	Q2 2023	YTD 2024	YTD 2023
	\$	\$	\$	\$
Salaries and benefits	544,552	494,767	1,205,699	1,099,399
Consulting fees	359,973	327,321	885,271	784,829
Director fees	133,025	132,624	274,240	287,938
Share-based payments	2,086,056	931,214	3,824,856	1,424,318
	3,123,606	1,885,926	6,190,066	3,596,484

10. OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements as at June 30, 2024, or as at the date hereof, other than those disclosed in Note 5 of the Company's Interim Financial Statements.

11. SUBSEQUENT EVENT

- a) Subsequent to June 30, 2024, certain holders of previously issued warrants exercised their rights resulting in the issuance of 14,409,443 of common shares for gross proceeds of \$15.6 million.

12. 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 218,926,943 common shares outstanding, 6,068,099 warrants outstanding, 13,908,874 stock options outstanding, 840,823 restricted share units and 87,000 deferred share units. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price per warrant of \$1.08 until August 27, 2024.

13. 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. In order for the Company to meet its obligations and undertake its intended discretionary spending related to further development of the Blackwater Mine, it may choose to fund such expenditures through the remaining amounts available under the cost overrun facility, master lease agreement and available working capital.

14. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

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

ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations For the three and six months ended June 30, 2024

The Company's financial instruments consist of cash and cash equivalents, receivables, accounts payable and accrued liabilities, long-term debt, variable consideration payable, Gold Collars, and the embedded derivative asset related to the partial buy-back option of the Silver Stream (Note 11 in the Interim Financial Statements). All financial instruments are initially recorded at fair value and designated as follows: cash and cash equivalents and receivables are classified as financial assets at amortized cost. The embedded derivative related to the partial buy-back option of the Silver Stream is measured at fair value through profit or loss. Accounts payable, variable consideration payable and long-term debt are classified as financial liabilities and are measured at amortized cost. The Gold Collars are a derivative financial instrument measured at fair value through profit or loss that is not designated for hedge accounting.

Fair value

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 June 30, 2024, 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 Company's long-term debt also approximates its face value. The fair value of the variable consideration payable is estimated to be \$45.8 million (see carrying value in Note 8 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 is estimated to be \$nil and was determined by using a discounted cash flow approach with an estimated market silver price applied. The fair value of the Gold Collars, disclosed in Note 14 of the Interim Financial Statements, is estimated to be a derivative liability of \$2.8 million and was determined based on forward price curves for gold denominated in Canadian dollars.

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

15. 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 June 30, 2024. 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

ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations For the three and six months ended June 30, 2024

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.

16. 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).

17. 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 and proceeds; capital and operating cost estimates; NPV, internal rate of return and other economic estimates in respect of the economics of the Blackwater Mine; expectations regarding the construction, operation and expansion of the Blackwater Mine and its infrastructure; expectations regarding the timing of completion of ongoing activities at the Blackwater Mine; expectations regarding the Phase 2 and Phase 3 expansions; expectations regarding the timing of the first gold pour; plans to finalize laboratory contracts; expectations regarding the timing of completion of the fleet assembly at Blackwater Mine; expectations regarding the ability to raise capital for future activities, including the Company's expectations with respect to financing the construction of the Blackwater Mine; expectations relating to the PLF; expectations relating to the utilization of the master lease agreement; 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.

Statements relating to mineral reserves and resources are deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral reserves and resources described exist in the quantities predicted or estimated and may be profitably produced in the future. Estimated values of future net revenue do not represent fair market value. There is no certainty that it will be commercially viable to produce any portion of the resources.

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 statements. Such information and statements are based on numerous assumptions including, among others, the accuracy of the economic benefits as forecasted by the 2021 Feasibility Study; the accuracy of the economic benefits as forecasted by the Expansion Study; the expected economic impact on British Columbia stemming from construction and operating activities of the Blackwater Mine; the expected value-added and jobs stemming from the construction and operation of the Blackwater Mine; the ability to fast-track certain

ARTEMIS GOLD INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations For the three and six months ended June 30, 2024

construction initiatives at the Blackwater Mine, including Phase 2; 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 2021 Feasibility Study will prove incorrect, or the plans, forecasts, expectations and assumptions otherwise set out in the 2021 Feasibility Study prove to be inaccurate or unrealized; the risk that the estimates (including economic and cost estimates) set out in the Expansion Study will prove incorrect, or the plans, forecasts, expectations and assumptions otherwise set out in the Expansion Study are inaccurate or unrealized; risks related to the development and construction of the Blackwater Mine; 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 any draws on the COF, if required, or satisfying the conditions precedent to draw on the remaining amounts available under the master lease agreement for the Blackwater Mine 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 licenses; 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.