MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2024

ARTEMIS GOLD INC.

Dated May 6, 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 months ended March 31, 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 months ended March 31, 2024 ("**Q1 2024"**) and March 31, 2023 ("**Q1 2023**") 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. Artemis Gold was incorporated as a wholly-owned subsidiary of Atlantic Gold Corporation for the purpose of acquiring gold mineral exploration properties. 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 73% complete as at March 31, 2024, within the guidance for initial capital expenditure of $730 to $750 million and on schedule for first gold pour in H2 2024;

(ii) completing the second draw on March 25, 2024 of $130 million under the Company's $360 million Project Loan Facility ("**PLF**"), bringing the total received to date under the PLF to $280 million; and

(iii) announcing the results of its Expansion Study, which outlines an opportunity to accelerate Phase 2 to year 3 of operations at 15 Mtpa (12 Mtpa per the 2021 Feasibility Study) and Phase 3 to year 7 of operations at 25 Mtpa (20 Mtpa per the 2021 Feasibility Study).

5. DEVELOPMENT OF BLACKWATER

Key milestones achieved

During the quarter ended March 31, 2024, the Company completed the following activities to reduce the project execution risk associated with Blackwater:

(i) Construction Update

At March 31, 2024 overall construction was approximately 73% complete, and approximately $523 million of the guided initial capital expenditure of $730 to $750 million had been spent. By the end of Q1 2024, the Company had entered into contractual commitments for $682 million (or 93% of the lower end of the guided initial capital expenditure). The majority of uncommitted expenditures related to owners' cost and earthworks associated with mining pre-strip and construction of the tailings storage facility and other civil structures.

Mild weather conditions in Q1 2024 provided good, early access to infrastructure areas at the Blackwater Mine. Construction of major site water management facilities, including the water management pond, the central diversion system and the Davidson Creek diversion, have been completed. Work on the tailings storage facility dam has progressed well. Initial material placement has been successfully achieved, including tying into the surrounding topography, providing for optimal productivity moving into summer.

At the end of March 2024, the Sedgman EPC contract work on the processing plant was approximately 84% complete overall, with engineering, design and procurement essentially complete.

Process plant construction continued to progress well, particularly within steel erection and conveyor installation. Installation of mechanical equipment within the secondary and tertiary crushing circuits, as well as the screening station, was completed during the quarter. Notable achievements throughout the period included the installation of the ball mill, intensive leach reactor and the regeneration kiln, while installation of the gravity concentrator commenced. All major tanks have been completed, including pre-leach, carbon-in-leach, and elution, and hydrotesting was underway.

Concrete work was nearing completion with most of the major pours now completed including the primary crusher run-of-mine slab, crusher vault and ore stockpile reclaim tunnel. Erection of the reagents and mill buildings progressed, with cladding works planned to commence in April.

Electrical and instrumentation activities are scaling up, with the installation of the main electrical room in the crushing circuit area complete.

During Q1 2024 the transmission line right-of-way clearing was completed. Construction contracts were awarded, and contractors mobilized to the region. Laydown areas and camp facilities have been established and civil foundation work and structure erection commenced. All electrical conductors have been delivered to site. Poles and hardware deliveries are in progress and sequenced to support the construction schedule.

The transmission 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 approximately 80km.

Upgrades to the BC Hydro Glenannan substation are progressing to plan. Commissioning planning with BC Hydro is advancing as planned.

Work associated with Blackwater's 25kV power distribution network progressed according to plan with engineering at an "issued-for-construction" level, procurement complete, and most materials on site. Pole foundations were 65% completed and pole erection commenced.

Assembly and commissioning of the owner's mining fleet continued to advance. Two 400-tonne hydraulic backhoe excavators, six 240-tonne rigid frame haul trucks and two large mining front-end loaders are fully assembled. The remainder of the fleet to support initial operations was on site and nearing completion. Additional units will be added to the fleet as operations ramp up.

The Company maintained its workforce of 320 employees in Q1 2024 and the ratios of the workforce remained consistent, approximately:

- 20% of the team are women
- 30% identify as Indigenous
- 50% are from the local region, and;
- 80% are B.C. residents.

The total Blackwater Mine workforce, including staff and contractors, surpassed 600 at the end of March 2024.

Recruitment for the Blackwater Mine operations team commenced in Q1 2024 with the first hires starting in early Q2 2024.

A laboratory contract has been signed and all mill reagents have been tendered, with plans to finalize the contracts in Q2 2024.

Procurement for commissioning, operations and critical spares was completed, and the operational readiness planning commenced during the quarter.

(ii) Announcement of Expansion Study results for Blackwater

The Expansion Study was based on existing proven and probable mineral reserves per the 2021 Feasibility Study and no changes were made to the mineral reserve and mineral resource estimates. The expansions are expected to be funded from operating cash flows based on the input assumptions of the Expansion

Study. The Company has yet to commit to the acceleration of the Phase 2 expansion and a decision is expected to be considered in H2 2024.

The Expansion Study outlines the potential for Blackwater to accelerate expansion and demonstrates that Blackwater is a Tier 1 asset by meeting the following criteria:

- **500,000 gold equivalent ounce ("AuEq oz") production per year:** The Expansion Study anticipates Blackwater Mine to produce an average of over 500,000 AuEq oz per year during the first ten years of operations and an average production of 469,000 AuEq oz per year over the life of mine ("**LOM**"). During certain years in Phase 2 and Phase 3 of operations, the Expansion Study anticipates production of close to 600,000 AuEq oz per year;

- **A LOM in excess of ten years:** the Expansion Study contemplates a LOM of 17 years. There are, however, several other opportunities not contemplated by the study which has the potential to extend the LOM beyond the years contemplated in the Expansion Study; and

- **All-in Sustaining Costs ("AISC[1]") in the lower half of the global cost curve**: the average AISC for the first ten years of operation is estimated by the Expansion Study at US$712 per ounce of gold, while the LOM AISC is estimated at US$781 per gold ounce. This is expected to place Blackwater in the lowest decile of the global cost curve as published by the World Gold Council.

The Expansion Study also reiterated the economic capacity of the Blackwater Mine:

- **Average annual free cash flow[2] of $489 million for the first ten years**: applying a long-term gold price assumption of US$1,800 per gold ounce, the Blackwater Mine is expected to generate average annual free cash flows of $489 million per annum which would be available to fund expansion capex and servicing (repayment) of the PLF.

- **After-tax net present value ("NPV") of $3.25 billion**: the Expansion Study assumes that Phase 1 has been completed and the guided initial capital of $730 million to $750 million had been spent. As such, the initial capital for Phase 1 is not included in the reported NPV of $3.25 billion. The NPV is reported net of the repayment of the PLF of $385 million, as well as the capital cost estimate to complete the Phase 2 and Phase 3 expansions of $592 million and $852 million, respectively. The NPV also accounts for the effect of the gold and silver streams.

The Expansion Study applies a long-term gold price assumption of US$1,800 per gold ounce, a silver price assumption of US$23 per silver ounce and a USD:CAD exchange rate assumption of 0.74. For the purpose of the Expansion Study, the Phase 1 guided initial capital costs of $730 million to $750 million are considered to have been spent and are not included in the reported NPV of the Expansion Study. As noted above, the NPV is reported net of the scheduled repayment of the PLF associated with Phase 1 of C$385 million and all gold and silver stream participations. The Expansion Study technical report is available on the Company's website at www.artemisgoldinc.com and on the Company's corporate profile on SEDAR+ at www.sedarplus.ca.

[1] Refer to Non-IFRS Measures section of this MD&A
[2] Refer to Non-IFRS Measures section of this MD&A

(iii) Receipt of $130 million second draw under the PLF

During Q1 2024, the Company completed an additional draw of $130 million under the PLF, bringing the total drawn to $280 million, along with approximately $5 million in cumulative capitalized interest at March 31, 2024.

6. DISCUSSION OF OPERATIONS

The following information has been derived from the unaudited Interim Financial Statements for the three months ended March 31, 2024 and 2023 and should be read in conjunction with the Company's Interim Financial Statements, which are available on www.sedarplus.ca.

	Q1 2024 $	Q1 2023 $
Operating expenses		
Depreciation	**170,340**	166,476
Management fees and wages	**1,887,922**	1,503,772
Investor relations and corporate development	**104,342**	143,464
Office, insurance and general	**378,217**	571,757
Professional fees	**304,385**	341,148
Share-based payments	**1,847,454**	744,985
Loss from operations	**(4,692,660)**	(3,471,602)
Other (expense) income		
Interest expense on lease liability	**(21,300)**	(31,528)
Accretion expense on asset retirement obligation	**(62,332)**	(30,088)
Equity loss from investment in associate	**(92,741)**	(184,978)
Change in fair value of Gold Collars	**(1,777,355)**	-
Interest income	**-**	1,905,109
Net loss and comprehensive loss	**(6,646,388)**	(1,813,087)
Loss per common share		
Basic and diluted	**(0.03)**	(0.01)
Weighted average number of common shares outstanding		
Basic and diluted	**199,480,325**	193,234,801

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

Share-based payments

Share based payments increased by $1.1 million when comparing Q1 2024 to Q1 2023. The increase is primarily due to an increase in the Company's share price, which increased the expense related to the Company's restricted share units ("**RSUs**") and deferred share units ("**DSUs**") issued under the Company's Share Unit Plan adopted in early 2023, as well as the impact of additional stock options, RSUs and DSUs issued during Q1 2024 under the Company's Omnibus Incentive Plan adopted August 10, 2023. In addition, share-based payments for Q1 2024 reflect a full-quarter of vesting of stock options, RSUs and DSUs that were issued in late-Q1 2023, whereas Q1 2023 only reflected a fraction of the corresponding vesting due to timing of the annual 2023 grant.

Interest income

Interest income decreased by $1.9 million when comparing Q1 2024 to Q1 2023. The decrease is a result of the interest income associated with the proceeds received from the PLF being capitalized to mineral property following commencement of Major Works construction and utilization of the PLF.

Changes associated with investment in Velocity Minerals Ltd. ("VLC")

The Company's investment in VLC is comprised of:

	Investment in associate $
Balance, January 1, 2023	**8,176,317**
Equity loss on investment in associate	(590,749)
Balance, December 31, 2023	**7,585,568**
Equity loss on investment in associate	(92,741)
Balance, March 31, 2024	**7,492,827**

As at March 31, 2024, the Company held 50,701,138 common shares of VLC (or 26% of VLC's issued and outstanding common shares) with a fair market value of $4.8 million (December 31, 2023 - 50,701,138 VLC shares, or 26% of VLC's issued and outstanding common shares, at a fair value of $5.6 million). VLC's most recently reported net loss for the three months ended December 31, 2023 totaled $0.4 million, and is based on the most recently reported information available as at the date of this MD&A.

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.

	Q1 2024 $	Q4 2023 $	Q3 2023 $	Q2 2023 $
Revenue	**-**	-	-	-
Net loss	**(6,646,388)**	(3,901,301)	(2,579,098)	(3,151,645)
Basic and diluted loss per share	**(0.03)**	(0.02)	(0.01)	(0.02)
Cash dividend declared per share	**-**	-	-	-
	Q1 2023 $	**Q4 2022 $**	**Q3 2022 $**	**Q2 2022 $**
Revenue	-	-	-	-
Net loss	(1,813,087)	(1,836,906)	(12,959,846)	(2,839,091)
Basic and diluted loss per share	(0.01)	(0.01)	(0.08)	(0.02)
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 VLC, and changes in fair value of the zero cost gold collars ("**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 the Gold Collars:

	Q1 2024 $	Q4 2023 $	Q3 2023 $	Q2 2023 $
Share-based payments	**(1,847,454)**	(1,609,470)	(897,827)	(1,214,990)
Change in fair value of Gold Collars	**(1,777,355)**	-	-	-
	Q1 2023 $	Q4 2022 $	Q3 2022 $	Q2 2022 $
Share-based payments	(744,985)	(817,217)	(1,356,272)	(1,433,673)
Impairment loss on equity investment	-	-	(9,889,867)	-

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 March 31, 2024 **$**	As at December 31, 2023 $
Assets		
Cash and cash equivalents	**154,512,609**	156,590,674
Other current assets	**12,536,863**	10,234,647
Current assets	**167,049,472**	166,825,321
Restricted cash	**8,814,300**	15,126,227
Other non-current assets	**1,099,634,749**	938,822,800
TOTAL ASSETS	**1,275,498,521**	1,120,774,348
Liabilities		
Other current liabilities	**70,787,328**	57,044,673
Current liabilities	**70,787,328**	57,044,673
Non-current liabilities	**624,550,800**	482,374,220
TOTAL LIABILITIES	**695,338,128**	539,418,893
NET ASSETS	**580,160,393**	581,355,455
WORKING CAPITAL(1)	**96,262,144**	109,780,648

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

As at March 31, 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 liabilites	61,421,342	-	-	-	**61,421,342**
Lease liabilities	4,103,182	12,553,228	11,362,063	2,889,268	**30,907,741**
Construction commitments	159,863,062	-	-	-	**159,863,062**
Master lease agreement and other capital commitments	127,592,465	-	-	-	**127,592,465**
Variable consideration payable	-	-	56,000,000	28,000,000	**84,000,000**
Long-term debt	9,574,357	215,891,809	109,405,276	46,250,876	**381,122,318**
Asset retirement obligation	1,256,572	-	-	44,544,143	**45,800,715**
Total	363,810,980	228,445,037	176,767,339	121,684,287	**890,707,643**

As at March 31, 2024, the Company had entered into contractual commitments for $682.5 million of construction costs (or 93% of the lower end of the guided initial capital expenditure). This was comprised of actual construction in progress incurred of $522.6 million and the remaining construction commitments of $159.9 million.

At March 31, 2024, Artemis Gold had estimated remaining Phase 1 capital expenditures of $207 to $227 million.

At the same date, the committed sources of funding totaled $295 million, comprising:

- cash and cash equivalents of $155 million;
- remaining drawdowns from the project loan facility of $100 million (including approximately $20 million of capitalized interest remaining available), and
- a cost overrun facility of $40 million.

In addition, the Company had 23.2 million warrants outstanding which are exercisable at $1.08 per warrant before August 27, 2024, for anticipated proceeds of $25 million.

As at the date of this MD&A, the Company expects that its working capital position, along with the undrawn amounts on the PLF and remaining amounts available on the mobile equipment master lease agreement provide sufficient resources available to meet its contractual obligations for the ensuing 12 months.

Phase 1 construction of the Blackwater Mine is fully funded. However, utilization of the remaining amounts 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 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.

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

	Q1 2024 $	Q1 2023 $
Net cash used in operating activities	**(5,203,304)**	(3,956,876)
Net cash used in investing activities	**(128,886,909)**	(73,066,501)
Net cash provided by (used in) financing activities	**132,012,148**	(10,472,960)
Change in cash and cash equivalents	**(2,078,065)**	(87,496,337)
Cash and cash equivalents, beginning	**156,590,674**	194,089,372
Cash and cash equivalents, ending	**154,512,609**	106,593,035
Restricted cash, ending	**16,270,851**	9,023,400
Total cash and cash equivalents and restricted cash, ending	**170,783,460**	115,616,435

Cash flows from operating activities

Net cash used in operating activities increased by $1.2 million when comparing Q1 2024 to Q1 2023, primarily due to increased spend in management fees and wages to support the ongoing development of the Blackwater Mine.

Cash flows from investing activities

Net cash used in investing activities increased by $55.8 million when comparing Q1 2024 to Q1 2023, primarily due to the timing of the commencement of Major Works construction during Q2 2023, which included costs related to the EPC contract and owner managed scopes of work.

Cash flows from financing activities

Cash provided by financing activities increased by $142.5 million when comparing Q1 2024 to Q1 2023, primarily due to the completion of the second draw on the PLF of $130 million and exercise of share purchase warrants during Q1 2024.

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	
Total net proceeds	**280,000,000**	
Advancing development of Blackwater and general working capital	280,000,000	125,487,391
Remaining in treasury	-	154,512,609
Total net proceeds	**280,000,000**	**280,000,000**

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 for Phase 1, including the costs associated with Sedgman under the EPC Contract, (iv) development of offsite infrastructure including road access and power supply to the Blackwater site, (v) costs associated with partnering with First Nations groups, and (vi) general corporate purposes.

During Q1 2024, the Company completed its second draw of $130 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.

Key management personnel transactions for Q1 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), Chief Financial Officer (Mr. Gerrie van der Westhuizen), President and Chief Operating Officer (Mr. Jeremy Langford) and Chief ESG Officer (Candice Alderson).

Compensation awarded to key management personnel for the three months ended March 31, 2024 and 2023, was:

	Q1 2024 $	Q1 2023 $
Salaries and benefits	**661,147**	604,632
Consulting fees	**525,298**	457,508
Director fees	**141,215**	155,314
Share-based payments	**1,738,800**	689,534
	3,066,460	1,906,988

10. OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements as at March 31, 2024, or as at the date hereof, other than those disclosed in Note 5 of the Company's Interim Financial Statements.

11. 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 201,784,866 common shares outstanding, 23,128,410 warrants outstanding, 14,051,975 stock options outstanding, 853,833 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.

12. 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 PLF, master lease agreement and available working capital.

13. 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 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 March 31, 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 $44.2 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 $1.8 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.

14. NON-IFRS MEASURES

The Company has included certain non-IFRS performance measures throughout this MD&A. These performance measures are expected to be employed by management to assess the Company's future operating and financial performance. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors and stakeholders will use the non-IFRS measures to evaluate the Company's future operating and financial performance. However, these non-IFRS performance measures do not have any standardized meaning and may therefore not be comparable to similar measures presented by other issuers. Accordingly, these non-IFRS performance measures are intended to provide additional information and should not be considered in isolation or as a substitute of performance measures prepared in accordance with IFRS.

a) AISC per gold ounce

The Company believes AISC more fully defines the total costs associated with producing gold. The Company calculated AISC for the Expansion Study as the sum of production costs such as mining, processing, refining and site administration, royalty payments and payments that are expected to be made to First Nations, sustaining capital and closure cost, less revenue generated from silver sales and adjustments to stockpile inventory, all divided by the gold ounces sold to arrive at a per-ounce figure. Other companies may calculate this measure differently because 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 Expansion Study, as such economics are disclosed at the project level, corporate general and administrative expenses were not included in the AISC calculations.

b) Free cash flow

For the purpose of the Expansion Study, free cash flow was determined using operating cash flows and deducting from it sustaining capital, closure costs and taxes. Note that in respect of free cash flow metrics within the Expansion Study, growth capital and financing costs were not deducted in arriving at free cash flow. Other companies may calculate this measure differently because of differences in underlying principles and policies applied. Differences may also arise due to a different definition of sustaining versus growth capital.

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 March 31, 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 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 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 the remaining drawdowns of the PLF or 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.