MANAGEMENT DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2021 and 2020

ARTEMIS GOLD INC.

Dated November 23, 2021

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**" or the "**Company**") for the three and nine months ended September 30, 2021, and includes events up to the date of this MD&A. This discussion should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2021 and the related notes thereto (the "**Interim Financial Statements**") and other corporate filings of the Company, including the Company's audited consolidated financial statements for the year ended December 31, 2020 (the "**Annual Financial Statements**") and its most recently filed Annual Information Form ("**AIF**"), all of which are available under the Company's profile on SEDAR at www.sedar.com. Unless otherwise specified, all financial information has been derived from the Company's Interim Financial Statements and Annual Financial Statements which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements including International Accounting Standard ("**IAS**") 34 - Interim Financial Reporting. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified. This MD&A contains forward-looking information. Please see the section, "Note Regarding Forward-Looking Information" for a discussion of the risks, uncertainties and assumptions used to develop the Company's forward-looking information.

2. TECHNICAL INFORMATION

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

3. BACKGROUND

Artemis was incorporated on January 10, 2019 pursuant to the *Business Corporations Act* (British Columbia) under the name 1193490 B.C. Ltd. Artemis 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 (the "**TSXV**") under the symbol "ARTG".

Since the acquisition of the Blackwater Project from New Gold Inc. ("**New Gold**") on August 21, 2020, the Company's primary focus has been to advance Blackwater to construction.

The Company also holds a 32% equity interest in Velocity Minerals Ltd ("**VLC**"). VLC is in the business of acquiring, exploring, and evaluating mineral resource properties in Bulgaria and its flagship project is the Rozino Project. Velocity's common shares are traded on the TSXV under the symbol "VLC".

4. HIGHLIGHTS AND KEY BUSINESS DEVELOPMENTS

Corporate highlights since the prior quarter

The Company continued to focus on key optimization and de-risking activities associated with the Blackwater Project through:

- Announcing the results of its Feasibility Study, the economics of which estimate a pay-back period of two years, an after-tax internal rate of return ("**IRR**") of 32% and a net present value ("**NPV**") utilizing a 5% discount rate ("**$NPV_{5\%}$**") of $2.15 billion based on a US$1,600/oz gold price;
- Satisfying the final $50 million cash payment to New Gold in consideration for the acquisition of the Blackwater Project;
- Receipt of the Mines Act Permit M-246 for early construction works (the "**Early Works Permit**"), allowing the Company to commence the necessary site preparation work in anticipation of full-scale development in 2022;
- Executing a binding memorandum of understanding ("**MOU**") with a consortium of Carisbrooke Consulting Inc., Westpark Electric Ltd. and 1319071 B.C. Ltd., the latter entity representing Nadleh Whuten, the Saik'uz First Nation and the Stellat'en First Nation, and all entities comprising the consortium collectively referred to as the "**Preferred GMP Proponent**". The MOU provides a guaranteed maximum price ("**GMP**") for a fixed-price Engineering, Procurement and Construction ("**EPC**") contract to construct a 135-kilometer long 230kV electricity transmission line and High Voltage (**"HV"**) substation (collectively the "**Power Facilities**") for Blackwater; and
- Announcing the receipt of a silver stream offer from Wheaton Precious Metals™ Corp. ("**Wheaton**") to provide additional funding for the development of the Blackwater Project in the amount of approximately $176 million (US$141 million).

5. DEVELOPMENT OF BLACKWATER

Key milestones achieved

Since July 1, 2021, the Company has completed the following activities to reduce the project execution risk associated with Blackwater:

i) Publishing its Feasibility Study for the Blackwater Project

The results of the Feasibility Study supersede the 2020 prefeasibility study ("**2020 PFS**") dated August 26, 2020 entitled "Blackwater Gold Project British Columbia NI 43-101 Technical Report on Pre-Feasibility Study" filed on SEDAR by Artemis on September 18, 2020. The results of the Feasibility Study reflect several positive changes in the approach to the planned development of the Blackwater Project compared with the 2020 PFS. The scope changes incorporated in the Study include:

- **Higher initial throughput**: an estimated 9% increase in initial development capital (to $645 million) is expected to achieve a 9% increase in phase 1 throughput from 5.5 million tonnes per annum ("**Mtpa**") to 6.0 Mtpa due to a larger crushing circuit, which provides greater operational throughput upside potential in the early years;

- **Streamlined phase 2 and phase 3 expansions**: a greatly reduced footprint of the stage 1 facility, and the installation of a higher-capacity gyratory crusher in the proposed stage 1 development is expected to allow for a streamlined and construction-ready approach to the phase 2 expansion throughput of 12Mtpa. The

9% increase in up-front investment of $53 million reduces expansion capital to:

- $347 million (a reduction of $79 million from $426 million in the 2020 PFS) for the phase 2 expansion to 12Mtpa; and
- $374 million (a reduction of $24 million from $398 million in the 2020 PFS) for the phase 3 expansion to 20Mtpa.

Overall, the net impact is a fractional increase in total life of mine capital to fund the 3 phases of development to $1,417 million, up from $1,415 million in the 2020 PFS.

- **Accelerated phase 2 & phase 3 expansions**: phase 2 expansion begins with an expansion to 9Mtpa in year five (up from 5.5Mtpa in year five in the 2020 PFS), ramping up to 12Mtpa in year six. The phase 3 expansion commences with an expansion to 15Mtpa in year 10 (up from 12Mtpa in year 10 in the 2020 PFS), ramping up to 20Mtpa in year 11;

- **An environment, social and governance ("ESG") commitment in the stage 1 development phase**: an initial investment to replace diesel and propane-powered components within the process plant facility reduces the carbon footprint of the Project;

- **Phase 3 throughput of 20Mtpa is supported by two mineral processing trains, reduced from three in the 2020 PFS**: this results in lower overall maintenance and labour costs, with improved economies of scale at higher throughput rates;

- **Estimate accuracy increased with reduced risk**: the Feasibility Study costing accuracy has improved to +15% /-10% (from +25%/-10% in the 2020 PFS). Engineering undertaken in connection with the GMP MOU on each of the process plant and the power transmission line has de-risked these components since the 2020 PFS. The achievement of negotiated fixed-price EPC contracts for these components of capital cost (targeted for Q4 2021/Q1 2022) will also mitigate the potential for capital cost and schedule overruns on up to approximately 50% of the initial development capital estimate; and

- **Compelling economics even after reflecting current inflationary pressures, timelines and additional management driven environmental investments**: the initial development capital has increased 9% to $645 million, up from $592 million, which provides a 9% increase in phase 1 annual throughput, with current pricing, and environmental investments. The net result is an after-tax $NPV_{5\%}$ of $2.15 billion, an after-tax IRR of 32%, and an after-tax payback period of 2.3 years, essentially in line with the 2020 PFS.

For additional information pertaining to the Feasibility Study, including mineral resource estimates, mineral reserve estimates, mining, metallurgical processing, economic inputs and results, as well as sensitivities thereof, please refer to the Company's news release dated September 13, 2021 as well as the Feasibility Study, each filed on the Company's website at www.artemisgoldinc.com and on the Company's corporate profile on SEDAR at www.sedar.com.

ii) Final cash payment to New Gold in respect of its acquisition of the Blackwater Project

On August 23, 2021, the Company satisfied the final cash payment of $50 million which was payable to New Gold in consideration for the acquisition of the Blackwater Project.

iii) Receipt of Early Works Permit

The Company obtained approval of its *Mines Act* Permit M-246 allowing for early construction works at the Blackwater Project**.** The approval of the early works permit is the first step required for mine construction, allowing for the necessary site preparation and land clearing work to begin.

iv) Award of Electricity Transmission Line GMP

Following a competitive bidding process, the Company entered into a binding MOU with the Preferred GMP Proponent. The selection of the Preferred GMP Proponent was based on a proposal to engineer and construct the Power Facilities for a GMP of up to $80 million (before duties or taxes), subject to technical or commercial changes requested by Artemis. The MOU outlines the terms under which the Preferred GMP Proponent will undertake further detailed engineering, which will form the basis of a final fixed price EPC contract. The GMP cost for the Power Facilities is consistent with the capital estimates in the Feasibility Study.

The final fixed price EPC contract on the Power Facilities is expected to represent the second largest component of the capital cost of Blackwater at approximately 14% of the Feasibility Study estimate of initial development capital. Combined with the previously announced GMP for the process plant and associated facilities, Artemis has secured GMP MOU's for 53% of the total initial development capital for Blackwater as outlined in the Feasibility Study.

Ultimately, Artemis is targeting approximately 60% of the initial development capital for Blackwater to be insulated from capital cost and schedule overruns once final fixed price EPC contracts for the processing plant, onsite infrastructure, Power Facilities and potentially other site preparation and infrastructure have been executed.

v) Receipt of a silver stream offer

On November 15, the Company announced that it had received a silver stream offer to enter into a definitive precious metals purchase agreement (the "**Silver Stream Agreement**") with Wheaton in respect to the Blackwater Project.

The letter of offer, as well as a copy of the Silver Stream Agreement ("**ROFR Offer**") has been submitted to New Gold as required under the terms of an agreement related to the purchase of Blackwater dated August 21, 2020, which serves to formally trigger a right of first refusal mechanism under that agreement. Under this mechanism, New Gold has 30 days from the date of delivery of the ROFR Offer to accept the ROFR Offer and offer identical terms as the Silver Stream Agreement from Wheaton. In the event the ROFR Offer is not exercised by New Gold, Artemis and Wheaton will be free to execute the Silver Stream Agreement within 120 days. The execution and delivery of the Silver Stream Agreement will be subject to satisfactory conditions precedent including consent from certain of the Company's existing lienholders. The Silver Stream Agreement will be a subordinated secured obligation of the Company.

Under the terms of the Silver Stream Agreement, Wheaton will purchase 50% of the silver production from the mineral reserves of Blackwater until approximately 18 million ounces of silver have been delivered, after which the stream drops to 33% of the silver production for the life of mine, all of which will assume a fixed silver recovery of 61% and a fixed silver payable factor of 95%. Wheaton will make an upfront deposit payment in cash of approximately US $141 million, payable in tranches during the major works construction of the Project, subject to certain conditions. In addition, Wheaton will make ongoing payments equal to

18% of the spot silver prices until the uncredited portion of the upfront payment is reduced to zero, and 22% of the spot silver prices thereafter. The Term of the Silver Stream Agreement is 20 years provided that

Wheaton may elect to extend the Silver Stream Agreement for successive 10-year terms at no additional cost.

The Silver Stream Agreement also contains a partial buy back option such that until the earlier of January 1, 2025 or the achievement of commercial production at Blackwater, Artemis will have a one-time option to repurchase up to 33% of the silver stream on a change of control for certain consideration.

The proceeds from the Silver Stream Agreement will be used by the Company to fund the advancement of the development and construction of the Project.

Next steps

Over the next 1-12 months, the Company will be focused on the following activities:

- Finalizing definitive documentation associated with a $360 million project loan facility;
- Progressing and achieving the final permitting required to commence Project construction;
- Continuing engagement and negotiations with First Nations who may be impacted by the Project;
- Planning for an exploration core drilling program to test for potential extensions of the known mineralization;
- Finalizing fixed-price EPC contracts based on the GMP MOU awarded to Ausenco for the process plant and the GMP MOU awarded to the preferred GMP proponent for the Power Facilities for the Project;
- Obtain a response from New Gold to the ROFR Offer and, if unexercised, execution of the Silver Stream Agreement with Wheaton;
- Commencement of early works activities onsite during the first half of 2022; and
- Commencement of major construction activities during the first half of 2022.

6. DISCUSSION OF OPERATIONS

During the three and nine months ended September 30, 2021, the Company incurred a net loss of $2,705,433 and $9,491,309 compared to a net loss for the three and nine months ended September 30, 2020 of $2,237,147 and $2,979,203, respectively. In this MD&A, the three months ended September 30, 2021, may be referred to as ("**Q3 2021**"), while the nine months ended September 30, 2021, may be referred to as ("**YTD 2021**"). Similarly, the three months ended September 30, 2020, may be referred to as ("**Q3 2020**"), while the nine months ended September 30, 2020, may be referred to as ("**YTD 2020**").

The following information has been derived from the Interim Financial Statements and should be read in conjunction with the Company's Interim Financial Statements, which are available on www.sedar.com.

	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Operating expenses				
Depreciation	**92,622**	41,871	**247,427**	125,613
Management fees and wages	**706,187**	1,031,262	**2,176,963**	1,633,912
Investor relations and corporate development	**57,411**	93,583	**219,681**	367,975
Office, Insurance and general	**239,328**	119,272	**645,224**	258,685
Professional fees	**500,177**	143,360	**962,930**	269,679
Share-based payments	**993,967**	503,451	**3,177,171**	1,284,569
Transfer agent and regulatory	**61,867**	46,351	**172,387**	85,280
Loss from operations	**(2,651,559)**	(1,979,150)	**(7,601,783)**	(4,025,713)
Other (expense) income				
Accretion expense on lease liability	**(20,117)**	(13,245)	**(62,669)**	(40,785)
Accretion expense on consideration payable	**-**	(344,037)	**-**	(344,037)
Accretion expense on asset retirement obligation	**(18,584)**	-	**(58,812)**	-
Equity loss from investment in associate	**(181,435)**	(197,151)	**(524,828)**	(353,836)
Fair value adjustment on convertible debtenture	**-**	(612,693)	**(795,646)**	366,073
Fair value adjustment on warrants	**(77,835)**	(379,366)	**(970,950)**	(277,612)
Interest income	**244,097**	170,828	**523,379**	422,646
Net loss before income taxes	**(2,705,433)**	(3,354,814)	**(9,491,309)**	(4,253,264)
Deferred income tax recovery	**-**	1,117,667	**-**	1,274,061
Net loss	**(2,705,433)**	(2,237,147)	**(9,491,309)**	(2,979,203)
Other comprehensive loss, net of tax				
Items that will not be reclassified to net loss				
Gains on marketable securities	**557,719**	794,052	**392,130**	2,036,675
Comprehensive loss	**(2,147,714)**	(1,443,095)	**(9,099,179)**	(942,528)
Loss per common share				
Basic	**(0.02)**	(0.03)	**(0.07)**	(0.05)
Diluted	**(0.02)**	(0.03)	**(0.07)**	(0.05)
Weighted average number of common shares outstanding				
Basic	**153,497,256**	79,573,076	**138,337,275**	58,793,020
Diluted	**153,497,256**	79,573,076	**138,337,275**	58,793,020

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

Management fees and wages

Management fees and wages for Q3 2021 were $325,075 lower than Q3 2020. The decrease was predominantly due to the fact that the entire cost associated with the Company's short-term incentive program for the prior year was recognized during Q3 2020, whereas short-term incentive costs have been gradually accrued during 2021. This was partially offset by the increase in headcount during 2021 associated with the ongoing development and execution of the Blackwater Project.

Management fees and wages for YTD 2021 were $543,051 higher than YTD 2020. The increase was predominantly due to additional hires following the completion of the acquisition of Blackwater in Q3 2020, as the Company continued to strengthen the management team throughout 2021 as the Company positions itself to execute on the development plan for the Blackwater Project.

Office, Insurance and general

Office, insurance and general increased by $120,056 and $386,539, respectively, when comparing Q3 2021 to Q3 2020 and YTD 2021 to YTD 2020. The increase in YTD 2021 represents the costs of expanding the Company's activities in support of the development of the Blackwater Project.

Professional fees

Professional fees increased by $356,817 during Q3 2021 compared to Q3 2020. The increase related predominantly to consulting fees associated with the Company's ESG initiatives, governance advisory fees, quarterly accruals for the 2021 audit fees, as well as costs associated with the Company's hiring and resourcing activities.

Professional fees for YTD 2021 were $693,251 higher than YTD 2020, due to the factors listed above, as well as costs associated with filing the Company's base shelf prospectus in early 2021.

Share-based payments

Stock-based compensation increased by $490,516 and $1,892,602, respectively, when comparing Q3 2021 to Q3 2020 and YTD 2021 to YTD 2020. The increases correspond to the expansion of the management team of the Company concurrent with and subsequent to the completion of the Blackwater acquisition in Q3 2020.

Changes associated with the investment in VLC

The investment in VLC is comprised of:

	Investment in associate $	Convertible debenture $	Warrants $	Total $
Balance, January 1, 2020	5,639,902	9,999,434	2,351,844	17,991,180
Investment	3,825,858	-	240,897	4,066,755
Fair value change for the year	-	1,410,550	106,721	1,517,271
Shares received in settlement of interest	432,990	(432,990)	-	-
Equity loss on investment in associate	(418,996)	-	-	(418,996)
Balance, December 31, 2020	**9,479,754**	**10,976,994**	**2,699,462**	**23,156,210**
Shares received on conversion of debenture	10,181,348	(10,181,348)	-	-
Fair value change in the period	-	(795,646)	(970,950)	(1,766,596)
Equity loss on investment in associate	(524,828)	-	-	(524,828)
Balance, September 30, 2021	**19,136,274**	**-**	**1,728,512**	**20,864,786**

Equity loss on investment in associate

The Company applies equity accounting over its investment in the common shares of VLC as the Company has significant influence over VLC due to its share ownership in the Company and its board representation. As a result, at inception of the investment, the common shares were recognized at attributed cost, with the carrying amount of the investment increasing or decreasing to recognize the Company's proportionate share of the profit or loss of VLC at each reporting period.

On March 25, 2021, the Company exercised its conversion option on the convertible debenture which had a face value of $5,094,000 plus accrued interest of $208,784, in exchange for 21,211,136 common shares of VLC. This brought the Company's interest in the common shares of VLC to 50,701,138 (or 32% of VLC's issued and outstanding common shares). VLC's most recently reported net loss for the three and nine months ended June 30, 2021 totaled $566,141 and $1,789,925, respectively, and is based on the most recently reported information available at the time of preparation of this MD&A. As at September 30, 2021, the fair market value of the Company's VLC common shares was $21,801,489.

Fair value adjustment on convertible debenture

During YTD 2021, the Company recorded a non-cash fair value loss on the convertible debenture of $795,646, prior to the conversion of the convertible debenture.

Fair value adjustment on warrants

The Company's warrants in VLC are measured at fair value through profit and loss which resulted in losses for Q3 2021 and YTD 2021 of $77,835 and $970,950, respectively. The Company used the Black-Scholes option pricing model to calculate the fair value of the warrants held in VLC. The loss for the nine months ended September 30, 2021 is primarily due to a decrease in VLC's share price from $0.50 per share at the beginning of the year to $0.43 per share at September 30, 2021.

On August 12, 2021, 2,583,443 of the Company's share purchase warrants in VLC expired unexercised as the exercise price of the share purchase warrants ($0.55 per share purchase warrant) remained in excess of the prevailing share price of VLC.

As at September 30, 2021, the Company held 9,300,000 share purchase warrants exercisable at $0.25 per warrant until March 14, 2022.

7. SUMMARY OF QUARTERLY RESULTS

For quarterly periods other than those ended December 31, the information below should be read in conjunction with the Company's Interim Financial Statements for each of the past quarters. Consistent with the preparation and presentation of the financial statements, these unaudited quarterly results are presented in Canadian dollars.

	Q3 2021 $	Q2 2021 $	Q1 2021 $	Q4 2020 $
Revenue	-	-	-	-
Net loss	**(2,705,433)**	(3,269,654)	(3,516,222)	(953,204)
Basic loss per share	**(0.02)**	(0.02)	(0.03)	(0.01)
Diluted loss per share	**(0.02)**	(0.02)	(0.03)	(0.01)
Cash dividend declared per share	**-**	-	-	-
	Q3 2020 $	**Q2 2020 $**	**Q1 2020 $**	**Q4 2019 $**
Revenue	-	-	-	-
Net (loss) income	(2,237,147)	3,882,635	(4,624,691)	(1,208,292)
Basic (loss) income per share	(0.03)	0.08	(0.10)	(0.06)
Diluted (loss) income per share	(0.03)	0.06	(0.10)	(0.06)
Cash dividend declared per share	-	-	-	-

The Company is focused on the development of the Blackwater Project and does not yet generate any revenue. It is the Company's policy to capitalize all mine development expenses incurred and as such the changes in net income from one period to another depend largely on corporate and administrative expenditure, granting of stock options and the timing of the relevant vesting schedules, non-cash fair value adjustments, equity accounting associated with the Company's interest in VLC as well as non-cash deferred income tax expenses and recoveries which are offset by any interest income accrued in the period.

The Company's common shares commenced trading on the TSXV on October 2, 2019. Since Q3 2019, corporate and administrative expenditure remained relatively consistent until the acquisition of Blackwater in Q3 2020. Concurrent with the acquisition of Blackwater, the Company commenced with building up of human resources, resulting in increased wages, office expenses and share-based compensation from Q3 2020 onwards.

In addition to the foregoing, the predominant reason for fluctuations in net (loss) income from one quarter to another was the following changes in fair value adjustments to the Company's convertible debt and warrants held in VLC:

	Q3 2021 $	Q2 2021 $	Q1 2021 $	Q4 2020 $
Fair value adjustment on convertible debt	-	-	(795,646)	1,044,477
Fair value adjustment on warrants	**(77,835)**	(686,676)	(206,439)	384,333
	Q3 2020 $	**Q2 2020 $**	**Q1 2020 $**	**Q4 2019 $**
Fair value adjustment on convertible debt	(612,693)	3,605,547	(2,626,781)	97,261
Fair value adjustment on warrants	(379,366)	1,732,688	(1,630,934)	(84,478)

8. LIQUIDITY, CAPITAL RESOURCES, CASH FLOWS AND SELECTED ANNUAL INFORMATION

Liquidity

As a development-stage company, Artemis does not have revenues and is expected to incur operating losses for the foreseeable future.

As at September 30, 2021, the Company's net assets and working capital position were as follows:

	As at September 30, 2021 $	As at December 31, 2020 $
Assets		
Cash and cash equivalents	**144,316,652**	51,846,826
Other current assets	**1,743,840**	4,951,253
Current assets	**146,060,492**	56,798,079
Restricted cash	**766,800**	540,800
Other non-current assets	**326,068,708**	295,334,486
TOTAL ASSETS	**472,896,000**	352,673,365
Consideration payable	**-**	47,247,708
Other current liabilities	**8,649,942**	4,648,258
Current liabilities	**8,649,942**	51,895,966
Non-current liabilities	**43,390,163**	41,539,253
TOTAL LIABILITIES	**52,040,105**	93,435,219
NET ASSETS	**420,855,895**	259,238,146
WORKING CAPITAL	**137,410,550**	4,902,113

As at September 30, 2021, the Company had the following undiscounted obligations:

	< 1 year $	1 - 3 years $	4 - 5 years $	> 5 years $	Total $
Accounts payable and accrued liabilites	8,306,897	-	-	-	**8,306,897**
Lease liability	343,045	740,812	380,648	-	**1,464,505**
Variable consideration payable	-	-	-	84,000,000	**84,000,000**
Asset retirement obligation	-	-	-	11,637,000	**11,637,000**

As at September 30, 2021, the Company expects that its working capital position provides sufficient resources available to meet its contractual obligations for the ensuing 12 months.

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

	For the three months ended September 30, 2021 $	For the three months ended September 30, 2020 $	**For the nine months ended September 30, 2021 $**	For the nine months ended September 30, 2020 $
Net cash used in operating activities	**(966,024)**	(1,753,256)	**(2,865,602)**	(3,012,379)
Net cash used in investing activities	**(55,664,643)**	(141,931,729)	**(70,757,762)**	(144,566,132)
Net cash (used in) provided by financing activities	**(243,335)**	173,471,497	**166,093,190**	174,163,997
Change in cash and cash equivalents	**(56,874,002)**	29,786,512	**92,469,826**	26,585,486
Cash and cash equivalents, beginning	**201,190,654**	28,301,283	**51,846,826**	31,502,309
Cash and cash equivalents, ending	**144,316,652**	58,087,795	**144,316,652**	58,087,795
Restricted cash, ending	**766,800**	540,800	**766,800**	540,800
Total cash, cash equivalents and restricted cash, ending	**145,083,452**	58,628,595	**145,083,452**	58,628,595

Cash flows from operating activities

Net cash used in operating activities decreased by $787,232 and $146,777, respectively, when comparing Q3 2021 to Q3 2020 and YTD 2021 to YTD 2020 and was predominantly the result of favourable working capital changes. Excluding the impacts of the favourable working capital changes, net cash used in operating activities increased by $131,142 and $1,561,654, respectively when comparing Q3 2021 to Q3 2020 and YTD 2021 to YTD 2020. The increase in net cash used in operating activities (excluding the impact of working capital changes) during Q3 2021 is primarily the result of the increased scope of the Company's activities in support of the development of Blackwater, an increase in professional fees related to the Company's ESG initiatives and governance advisory fees and costs associated with the company's hiring and resourcing activities. The increase in net cash used in operating activities (excluding the impact of working capital changes) during YTD 2021 is due to the factors listed above, as well as the costs associated with filing the Company's base shelf prospectus in early 2021.

Cash flows from investing activities

Cash used in investing activities decreased by $86,267,086 and $73,808,370, respectively, when comparing Q3 2021 to Q3 2020 and YTD 2021 to YTD 2020. The decrease during both periods is primarily the result of the timing of the initial net cash consideration paid for the Blackwater Project during Q3 2020 of $134,689,082 compared to $50,000,000 paid during Q3 2021 as well as an increase in proceeds received from the sale of marketable securities during Q3 2021. These reductions in cash used in investing activities during both periods were offset by an increase in costs incurred on development expenditure for engineering, permitting and environmental activities, engagement with stakeholders and site investigation activities surrounding the ongoing development of the Blackwater Project. Additional expenditures were incurred during YTD 2021 compared to YTD 2020 related to the execution of the grade control drilling program.

Cash flows from financing activities

Cash flows from financing activities decreased by $173,714,832 and $8,070,807, respectively, when comparing Q3 2021 to Q3 2020 and YTD 2021 to YTD 2020. The decrease in both periods is primarily the result of the net proceeds raised from the brokered and non-brokered offerings during 2020 compared to the net proceeds raised from the Bought Deal Offering and Non-Brokered Offering during 2021. Net proceeds raised during Q3 2021 was $nil compared to $170,479,846 in Q3 2020 and $164,962,717 during YTD 2021 compared to $170,479,846 during YTD 2020. In addition to the above, a reduction in the issuance of common shares pursuant to warrant exercises in both periods also contributed to the decrease in cash flows from financing activities.

Use of Proceeds

The following table includes a comparison of the actual use of proceeds to previous disclosures made by the Company during the past year:

	Intended use of proceeds $	Actual use of proceeds $
Net proceeds from private placements completed on July 7, 2020 and September 2, 2020	170,479,846	
Net proceeds from the Bought Deal Offering on May 19, 2021 and the Non-Brokered Offering on May 25, 2021	164,962,717	
	335,442,562	
Acquisition of Blackwater	140,000,000	140,000,000
Payment of consideration payable to New Gold	50,000,000	50,000,000
Advancing development of Blackwater and general working capital	145,442,562	29,427,192
Remaining in treasury	-	116,015,370
Total net proceeds		335,442,562

The $50 million consideration payable to New Gold was paid on August 23, 2021. The balance of the proceeds remaining in treasury is intended to be applied towards (i) ongoing permitting costs, (ii) costs associated with detailed engineering (iii) financing costs, (iv) pre-development and development expenditures as contemplated in the Company's FS, including the costs associated with mobilizing the EPC contractors, placing orders for longer-lead construction items, commencing earthworks and development of offsite infrastructure including road access and power supply to the Blackwater site, as well as (v) implementation payments associated with participation agreements with indigenous nations and (vi) general corporate purposes.

9. TRANSACTIONS BETWEEN RELATED PARTIES

Key management included the Company's directors, Chief Executive Officer, Chief Financial Officer and Chief Operating Officer. Compensation awarded to key management for the three and nine months ended September 30, 2021 and 2020 comprised the following:

	For the three months ended September 30, 2021 $	For the three months ended September 30, 2020 $	**For the nine months ended September 30, 2021 $**	For the nine months ended September 30, 2020 $
Salaries and benefits	**190,438**	226,419	**674,629**	357,319
Consulting fees	**143,750**	506,250	**431,250**	681,250
Directors' fees	**73,125**	57,083	**261,458**	139,583
Share-based payments	**875,179**	439,983	**2,864,269**	1,004,318
	1,282,492	1,229,735	**4,231,606**	2,182,470

10. OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements as at September 30, 2021 or as at the date hereof.

11. SUBSEQUENT EVENTS

a) On October 8, 2021, 2,905,000 incentive stock options were granted. The options are exercisable at a price of $5.39 per share, expiring on October 8, 2026.

b) Subsequent to September 30, 2021, the company issued 392,777 common shares pursuant to various warrant exercises for gross proceeds of $424,200.

c) On November 15, 2021, the Company announced that it had received a silver stream offer from Wheaton to provide additional funding for the development of the Blackwater Project in the amount of approximately $176 million (US$141 million).

12. OUTSTANDING SHARE DATA

The authorized capital of Artemis consists of an unlimited number of common shares. As of the date of this report, there were 153,904,479 common shares, 6,607,281 stock options and 31,100,465 warrants outstanding. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of $1.08 per until August 27, 2024.

13. CAPITAL RESOURCES

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 interests in assets to improve working capital. The Company has no other externally imposed capital requirements. In order for the Company to meet its obligations and undertake its intended discretionary spending related to further development of the Blackwater Project, it may choose to fund such expenditures by obtaining financing through additional equity financing, through debt financing, through a sale of interest in its assets or a combination thereof.

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.

The Company's financial instruments consist of cash and cash equivalents, interest receivables and deposits, and the investment in VLC warrants which are designated as fair value through profit and loss. The Company's marketable securities are designated as fair value through other comprehensive income and loss. The Company's financial instruments also include accounts payable and consideration payable, which are measured at amortised cost.

<u>Fair value measurements</u>

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

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

As at September 30, 2021, 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, while the Company's investments in marketable securities and warrants in VLC are carried at fair value. The carrying value of consideration payable and other variable consideration payable are considered to approximate their fair value. The fair value of the Company's equity investment in VLC is disclosed in note 4 to the Interim Financial Statements.

Fair value is based on available public market information or, when such information is not available, estimated using present value techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk. The fair value of the Company's investment in the VLC warrants, as well as consideration payable and other variable consideration payable, are categorized as Level 3 in the fair value hierarchy as observable market data for these instruments are not available. Marketable securities are categorized as Level 1.

15. CHANGES IN ACCOUNTING POLICIES

a) Accounting standards adopted January 1, 2021

There were no new standards effective January 1, 2021 that had an impact on the consolidated Annual Financial Statements or are expected to have a material effect in the future.

b) Accounting standards and amendments issued but not yet adopted

The following standards and interpretations, which may be applicable to the Company, have been issued but are not yet effective as of September 30, 2021: Amendment to IAS 16 On May 14, 2020, the IASB amended *IAS 16 - Property, Plant and Equipment* to prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss. The amendments are effective for annual periods beginning on or after January 1, 2022 with early adoption permitted. The new pronouncement does not have any impact on the Company's historical financial statements, but management will consider the impact of the new pronouncement as it advances the development activities associated with the Blackwater Project.

16. RISK FACTORS

The Company's business, operations and future prospects are subject to significant risks. For details of these risks, refer to the risk factors set forth in the Company's most recently filed Annual Information Form ("**AIF**"), which can be found under the Company's corporate profile on SEDAR at www.sedar.com. Management is not aware of any significant changes to the risks identified in the Company's most recently filed AIF nor has the Company's mitigation of those risks changed significantly during the quarter ended September 30, 2021. These risks, and the risk factors disclosed below, 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.

The operations of the Company are speculative due to the high-risk nature of its business which is the exploration of mineral properties. 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 at www.sedar.com. Management is not aware of any significant changes to the risks identified in the Company's most recently filed AIF nor has the Company's mitigation of those risks changed significantly during the quarter ended September 30, 2021. The risks referred to herein are not the only risks and uncertainties that Artemis faces. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair its business operations. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

17. ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Artemis' general and administrative expenses and development expenses is provided in the Company's statement of income and comprehensive income contained in its Annual Financial Statements and Interim Financial Statements, which are all available on Artemis' website and its profile on SEDAR at www.sedar.com.

18. NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking statements" (also referred to as "forward-looking information") within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical facts, included in this MD&A that address activities, events or developments that Artemis expects or anticipates will or may occur in the future, including, without limitation, statements about the future exploration, development and construction activities; sources, and proposed uses, of funds; capital and operating cost estimates; NPV, IRR and other economic estimates in respect of the economics of the Blackwater Project; expectations regarding the construction, operation and expansion of the Blackwater Project; expectations regarding the ability to raise capital for future activities, including the Company's expectations with respect to financing the construction of the Blackwater Project; and other such matters are forward-looking statements. When used in this MD&A, the words "estimate", "plan", "anticipate", "expect", "intend", "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' business and the industry and markets in which it operates. Forward-looking information and statements are made based upon certain assumptions and other important factors that could cause the actual results, performances or achievements of Artemis 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 Feasibility Study, the expected economic impact on British Columbia stemming from construction and operating activities of the Blackwater Project, the expected value-added and jobs stemming from the construction and operation of the Blackwater Project, the ability to fast-track certain construction initiatives at the Blackwater Project, the timing of awarding of the EPC contract, 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 (including that the Company will be able to conclude a project loan facility for the Blackwater Project in the manner and on the timelines currently anticipated) and that third party contractors, equipment, supplies and governmental and other approvals required to conduct Artemis' 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 to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the risk that the estimates (including economic and cost estimates) set out in the Feasibility Study will prove incorrect, or the plans, forecasts, expectations and assumptions otherwise set out in the Feasibility Study are inaccurate or unrealized; risks related to the development and construction of the Blackwater Project; risks related to the negative operating cash flow and dependence on third party financing, including that the Company will be unsuccessful in executing a project loan facility for the Blackwater Project in the manner or on the timeline currently anticipated; the uncertainty of additional financing; the limited operating history of Artemis; the lack of known mineral resources or reserves; the influence of a large shareholder; alternate sources of energy; aboriginal title and consultation issues; risks related to exploration activities generally; reliance upon key management and other personnel; title to properties; uninsurable risks; conflicts of interest; permits and licences; environmental and other regulatory requirements; political regulatory risks; competition; and the volatility of share prices, all as more particularly described in the "Risk Factors" above.

Although Artemis 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.