



Ares Strategic Mining Announces \$800,000 Private Placement Financing

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Vancouver, B.C. May 27th, 2020 — **Ares Strategic Mining Ltd. (TSXV: ARS) (“Ares” or the “Company”)** is pleased to announce a non-brokered private placement offering (the “Offering”) of approximately 10,000,000 units (“Units”) at a price of \$0.08 per Unit for gross proceeds of approximately C\$800,000. Each Unit shall consist of one common share in the capital of the Company (a “Common Share”) and one-half of one common share purchase warrant (each whole common share purchase warrant, a “Warrant”). Each Warrant will be exercisable by the holder thereof into one common share of the Company at a price of \$0.15 for a period of 24 months from the completion of the Offering.

The net proceeds from the Offering will be primarily used to fund exploration activities, permitting, engineering and economic studies at the Company’s Lost Sheep Fluorspar Mine in Utah, USA, and for general corporate and working capital purposes.

James Walker, CEO of Ares said, “We are very happy to be undertaking this financing to further develop the Lost Sheep Mine and commence production within the coming months. We expect to complete phase 1 delineation drilling next week, and then to move straight to mine planning, operations planning, and adit design. This funding will also be used to advance additional non-dilutive financing initiatives to purchase all of the expertise, equipment, and construction, to significantly increase the mining capacity of the mine and the quality of the product.”

The Units issued in the Offering will be subject to a hold period expiring four months and one day from the closing date of the Offering.

The closing of the Offering is expected to occur on or before June 5th, 2020 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals, including the acceptance of the TSX Venture Exchange. In consideration for its services as financial advisor to the Company, the Company has agreed to pay Haywood Securities Inc. a finder’s fee equal to 7.0% of the gross proceeds of the Offering and issue finder’s warrants equal to 7.0% of the number of Units issued under the Offering. Each finder’s warrant will entitle the holder thereof to purchase one Unit at a price of \$0.08 per Unit for a period of 24 months from the closing of the Offering.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “1933 Act”) or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

Disclosure: Companies typically rely on comprehensive feasibility reports on mineral reserve estimates to reduce the risks and uncertainties associated with a production decision. Some industrial mineral ventures are relatively simple operations with low levels of investment and risk, where the operating entity has determined that a formal prefeasibility or feasibility study in conformance with NI 43-101 and 43-101 CP is not required for a production decision. The demonstration of the economic viability of an industrial minerals deposit, as required under the General CIMM Guidelines, may be satisfied by actual profitable production. The Company has not completed a feasibility study on, nor has the Company completed a mineral reserve or resource estimate at the Lost Sheep Mine and as such the financial and technical viability of the project is at higher risk than if this work had been completed. Based on historical engineering work, geological reports, historical production data and current engineering work completed or in the process by Ares, the Company intends to move forward with the development of this asset. The Company further cautions that it is not basing any production decision on a feasibility study of mineral reserves demonstrating economic and technical viability, and therefore there is a much greater risk of failure associated with its production decision. In addition, readers are cautioned that inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves.

Raul Sanabria, P.Geo., is a qualified person as defined by NI 43-101 and has reviewed and approved the technical contents of this news release. Mr. Sanabria is not independent to the Company as he is a Director and Shareholder.

Lost Sheep Fluorspar Project – Delta, Utah

- 100% owned – 1,447 acres – 67 Claims
- Located in the Spor Mountain area, Juab County, Utah, approximately 214 km south-west of Salt Lake City.
- Fully Permitted – including mining permits.
- NI 43-101 Technical Report identified extensive high-grade fluorspar with low levels of impurities.
- Mining plan approved by BLM¹.

ON BEHALF OF THE BOARD OF DIRECTORS OF

ARES STRATEGIC MINING LTD.

“James Walker”, President and CEO

¹ First approved by Rex Rowley – Area Manager, Bureau of Land Management – 24th August 1992.

Renewed by Paul B. Baker – Minerals Program Manager, Bureau of Land Management – 12th December 2016.

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