



Ares Strategic Mining Completes Purchase of Lumps Plant Processing Facility

- Anticipated production readiness in 3rd quarter 2021.
- Production capable of producing 30MT/hour of high-grade metallurgical fluorspar lumps.
- Potential 5,000 tonne/month operation with an expected selling price of \$500/tonne.
- Inexpensive processing technology with high margin selling price.
- The Mujim Group to assist with commissioning and optimization.
- Technology not used outside of the Ares and Mujim Groups.

Vancouver, B.C. February 26th, 2021 — Ares Strategic Mining Inc. (“Ares” or the “Company”) (TSXV: ARS) (OTC:ARSMF) (FRA: N8I1), is pleased to announce, that the Company has completed a full acquisition of a processing plant from the Mujim Group, capable of manufacturing high-grade fluorspar lumps for industry.

The fluorspar lumps plant will be the first production line in Ares’ expanded fluorspar mining operation. Ares’ manufacturing partner, the Mujim Group, has developed a new technology able to produce fluorspar lumps from material that was previously unsuitable for manufacturing lumps. The lumps product is ideal for use in metallurgy, ceramic, fiberglass, & glass industries, and reduces the refractory melting point, promotes the flow of slag, and enables the separation of slag and metal. This product also assists with desulfurization and dephosphorization during the smelting process, and acts to enhance the tensile strength of forged metals, making it extremely valuable and important to metals manufacturers. The Mujim Group operates several fluorspar mines in Thailand and Laos, and will be supporting Ares as it commissions its processing facility.

Due to the industrial applications and relative rarity of fluorspar lumps, the product often commands higher retail prices than more refined and pure fluorspar products, potentially offering Ares a new and

improved income stream. Currently the United States imports 100% of this product for its industrial base, so the Company has the potential to be the first metallurgical lumps manufacturer in the country. This manufacturing line would run alongside Ares' already anticipated plant and manufacturing facilities, and will afford it a broader range of industrial products.

In 2018 the U.S. government classified fluorspar as a Critical Mineral, "deemed critical to U.S. national security and the economy". Fluorspar remains the only non-metallic Critical Mineral which is 100% imported in the entire country. Fluorspar's classification as a Critical Mineral in the United States translates to a faster permitting period, enabling mining operations to initiate more quickly than operations for conventional minerals.

James Walker, President and CEO stated: "Completing the purchase of our processing plant is huge step towards our production goals. The plant will ship imminently to Utah where we will begin its installation and recommence our operations. We have completed comprehensive mining and manufacturing plans for a large upgraded mining and processing operation, of which this plant will be the first of our production lines. Metallurgical lumps are in heavy demand by US industry, especially as the North America begins focusing more heavily on domestic supply."

The processing plant retails for US\$2MM. The Mujim Group have requested settlement in Shares because of the perceived value of the Company's future. The Group have agreed to accept 5.3MM shares, which will include plant construction, delivery, and commissioning assistance. The final product is expected to retail for over \$500/tonne at current industry prices, of which the Mujim Group will receive \$10/tonne as part of its Technology Sharing Contract.

The Mujim Group has identified significant potential in Ares and will be further investing in the Company. The Company will complete a non-brokered private placement to advance its U.S. operations and ready the infrastructure and industrial site for plant installation and operations. T placement amount (the "Offering") will be for approximately 4,000,000 units ("Units") at a price of \$0.50 per Unit for gross proceeds of approximately \$2,000,000. Each Unit shall consist of one common share in the capital of the Company (a "Common Share").

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.

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 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. The development of a mining operation typically involves large capital expenditures and a high degree of risk and uncertainty. To reduce this risk and uncertainty, the issuer typically makes its production decision based on a comprehensive feasibility study of established mineral reserves. The Company has decided to proceed without established mineral reserves, basing decision on past production and internal projections.

Lost Sheep Fluorspar Project – Delta, Utah

- 100% owned – 2,100 acres – 108 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

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.

ON BEHALF OF THE BOARD OF DIRECTORS OF
ARES STRATEGIC MINING INC.

James Walker
Chief Executive Officer and President

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