



Ares Strategic Mining Forward Pays Royalty on Utah Mine, Cancels Stock Options, and Closes Private Placement

Vancouver, B.C. January 7, 2022 — Ares Strategic Mining Inc. (“**Ares**” or the “**Company**”) (CSE:ARS) (OTC:ARSMF) (FRA: N8I1), is pleased to announce that the Company has arranged for the payment, in full of a royalty (the “**Royalty**”) retained by the sellers of the Company’s Lost Sheep property located in the Spor Mountain area, Juab County, Utah (the “**Lost Sheep Fluorspar Project**”), closed its non-brokered private placement for gross aggregate proceeds of approximately \$666,852 (the “**Private Placement**”), and cancelled an aggregate of 6,200,000 stock options (each, an “**Option**”) of the Company.

Royalty Payment

The Company announces that it has, effective as of May 15, 2021, paid in full the Royalty, a USD\$1M (C\$1.25M) net smelter return royalty retained by the sellers of the Company’s Lost Sheep Fluorspar Project which it acquired on February 18, 2020. Clearwater Group Inc. paid off the Royalty in full in exchange for the issuance by Ares of an unsecured convertible debenture (the “**Debenture**”) in the principal amount of USD\$1M.

The Debenture bears interest at a rate of 5% per annum, accruing from May 15, 2021, and is convertible into units (each, a “**Unit**”) at a price per Unit equal to the closing price of the common shares (each, a “**Share**”) of the Company on the day prior to the date of conversion. Each Unit is comprised of one Share and one-half of one Share purchase warrant (each, a “**Warrant**”), with each whole Warrant entitling the holder thereof to purchase one additional Share (each, a “**Warrant Share**”) at an exercise at a premium to the market price per Share as follows:

Market Price	Percentage Premium
Up to C\$0.50	◆25%
C\$0.51 to C\$2.00	◆20%
Above C\$2.00	◆15%

Each Warrant entitles the holder, on exercise, to purchase one Share for a period of two years following the signing date of the Debenture agreement. Any securities issuable upon their due conversion are subject to a statutory hold period expiring on the date that is four months and one day after the date of issue.

The Lost Sheep Fluorspar Project is located 70 km northwest of the City of Delta, in Millard County, and 214 km southwest of Salt Lake City, Utah. The property is comprised of 353 mining claims comprising approximately 5,982 acres, including the Lost Sheep Fluoride Mine, and other unpatented claims. For more information on the Lost Sheep Fluorspar Project or the Royalty, see Ares' February 20, 2020 news release filed under its profile on [SEDAR](#).

Private Placement

The Company is also pleased to announce that it has successfully completed the Private Placement for gross aggregate proceeds of approximately \$666,852 by the issuance of 1,754,873 Shares at a price of \$0.38 per Share. The proceeds of the Private Placement are expected to be used to fund the Company's Utah fluorspar project and for general working capital. All Shares issued in connection with the Private Placement are subject to a statutory hold period expiring on the date that is four months and one day after the date of issue.

Option Cancellation

Based on certain changes in personnel, the Company also announces that it has cancelled an aggregate of 6,200,000 Options. The subject Options were cancelled effective January 7, 2022, and are comprised of 750,000 Options previously granted on August 30, 2020 at an exercise price of \$0.15 per Share and 5,450,000 Options previously granted on May 19, 2021 at an exercise price of \$0.62 per Shares.

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

James Walker
Chief Executive Officer and President

For further information, please contact Mark Bolin by phone at 604-345-1576 or by email at jwalker@aresmining.com

DISCLOSURE AND FORWARD-LOOKING STATEMENTS:

Certain information in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact included in this news release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include the failure to satisfy the conditions of the relevant securities exchange(s) and other risks detailed from time to time in the filings made by the Company with securities regulations. The novel strain of coronavirus, COVID-19, also poses new risks that are currently indescribable and immeasurable. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be

incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company disclaims any intention or obligation to update or revise such information, except as required by applicable law.

The CSE (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this press release.