

FORM 51 – 102F3
MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102

ITEM 1 Name and Address of Company

Ares Strategic Mining Inc.
1001 – 409 Granville Street
Vancouver, British Columbia V6C 1T2

(the “**Company**”)

ITEM 2 Date of Material Change

December 16, 2022

ITEM 3 News Release

The news release dated December 16, 2022 was disseminated via TheNewswire.ca Inc.

ITEM 4 Summary of Material Change

The Company announced that, further to its news release dated November 22, 2022, it has closed the second tranche of a non-brokered private placement offering (the “**Offering**”) of secured convertible debentures (each, a “**Debenture**”) of the Company for aggregate proceeds of \$45,980.00 (the “**Credit Advanced**”).

The principal sum of the Debentures totals \$83,600 (the “**Principal Sum**”), and will bear interest at 12% per annum, from the date of issuance (the “**Closing Date**”), payable semi-annually. The Debentures will mature on the date that is two years from the Closing Date (the “**Maturity Date**”). As additional consideration, the Company agreed to pay the subscribers a financing fee in an amount equal to 45% of the Principal Sum (the “**Financing Fee**”). The Financing Fee was deducted from the Principal Sum, and the gross amount received by the Company totals \$45,980 (being 55% of the Principal Sum). The holders shall have the right to convert all or any portion of the Credit Advanced, and any accrued but unpaid interest thereon, into common shares of the Company (each, a “**Conversion Share**”) at a price of \$0.26 per Conversion Share at any time and from time to time until the Maturity Date. As security for the repayment of the Principal Sum and interest under the Debentures, the Company granted to the holders of the Debentures a security interest in certain of the Company’s present and after-acquired personal property.

The aggregate proceeds from the sale of the Debentures are anticipated to be used to finance potential acquisitions of assets or businesses in the mineral resource sector, and for general working capital purposes.

In connection with the Offering, and in accordance with the policies of the Canadian Securities Exchange (“**CSE**”), the Company paid a registrant a finder’s fee comprised of a cash fee equal to 8% of the portion of the Credit Advanced received from subscribers introduced by the finder (\$3,678.40), and such number of non-transferable share purchase warrants (the “**Finder’s Warrants**”) which equals 8% of the number of conversion shares issuable to the holders of the Debentures, being 14,147 Finder’s Warrants. Each Finder’s Warrant entitles the holder thereof to purchase one common share in the capital of the Company (each, a “**Finder’s Warrant Share**”) at a

price of \$0.26 per Finder's Warrant Share for a term of two (2) years from the date of issuance of the Finder's Warrants.

The Debentures, Finder's Warrants, and any securities issued upon the conversion or exercise thereof, as applicable, are subject to a hold period of four months and one day from the Closing Date.

None of the securities sold in connection with the Offering will be registered under the United States Securities Act of 1933, as amended, and no such securities may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

ITEM 5 Full Description of Material Change

5.1 Full Description of Material Change

The material changes are fully described in Item 4 above and in the News Release filed on SEDAR at www.sedar.com.

5.2 Disclosure for Restructuring Transactions

Not Applicable.

ITEM 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

ITEM 7 Omitted Information

Not Applicable.

ITEM 8 Executive Officer

James Walker
President and Chief Executive Officer
(604) 345-1576 or at james@aresmining.com

ITEM 9 Date of Report

December 16, 2022