



## **ARES STRATEGIC MINING INC. ANNOUNCES COMPLETION OF \$10,500,000 USD BOND FINANCING AND SHARE ISSUANCE BY ITS WHOLLY OWNED UTAH SUBSIDIARY**

**Vancouver, B.C.** – December 15, 2023 – Ares Strategic Mining Inc. (the “**Company**” or “**Ares**”) (CSE: ARS; OTC: ARSMP; FRA: N81) is pleased to announce that, further to its news release dated April 19, 2022, its wholly-owned Utah subsidiary has borrowed the aggregate sum of US\$9,500,000 (the “**Bond Proceeds**”) from Millard County, Utah (“**Millard County**”) pursuant to a US\$10,000,000 tax-exempt Manufacturing Facility Revenue Bond (the “**Series 2023A Bond**”) a US\$500,000 taxable Manufacturing Facility Revenue Bond (the “**Series 2023B Bond**”, and together with the Series 2023A Bond, the “**Bonds**”) created and issued by Millard County. The principal sum of the Bonds to be repaid by Ares Utah is US\$10,500,000, which obligations were evidenced by promissory notes issued by Ares Utah (the “**Notes**”).

The rights and interests of Millard County in and to certain agreements, including a Loan Agreement dated December 1, 2023 between Ares Utah and Millard County with respect to a loan of the Bond Proceeds to Ares Utah, were transferred and assigned, pursuant to an Indenture of Trust dated December 1, 2023 (the “**Indenture**”), to Zions National Bank, N.A. (“**Trustee**”), on behalf of the investors in the Bonds. In addition, the Company has entered into a Guaranty Agreement and Guaranty of Completion agreement with the Trustee, pursuant to which the Company agreed to guaranty certain obligations of Ares Utah, including the repayment of the principal, interest and other amounts owed under the Bonds.

The proceeds from the Bonds will be used by Ares Utah to acquire, construct, and develop a processing facility (the “**Project**”) on the Company’s Lost Sheet Fluorspar Project located in Delta, Millard County, Utah.

### **Series 2023A Bond**

The Series 2023A Bond matures on December 15, 2034, and bears interest at a rate of 10% per annum, payable semi-annual on June 15 and December 15. The Series 2023A Bond and interest thereon is secured by, among other things, a pledge of the Trust Estate (as defined in the Indenture), which includes the rights, title and interests of Millard County in the Loan Agreement and any loan payments, all of the rights, title and interest of Ares Utah in the Notes, a pledge of all gross revenue generated by sales of products processed by facilities on the Project, and the Spor Mountain mineral rights of Ares Utah.

### **Series 2023B Bond**

The Series 2023B Bond matures on December 15, 2025, and bears interest at a rate of 12% per annum, payable semi-annual on June 15 and December 15. The Series 2023B Bond and interest thereon is secured against the same assets pledged as security for the Series 2023A Bond.

### **Non-Brokered Private Placement Offering**

The Company is also pleased to announce that it has completed a non-brokered private placement offering of 6,780,500 common shares (the “**Offering**”) at a price of \$0.20 per share for gross proceeds of \$1,356,100. The closing of the Offering is subject to all required regulatory approvals, including the acceptance of the Canadian Securities Exchange. No finder’s fees were paid in connection with the Offering.

The Company will loan a majority of the net proceeds from the Offering to Ares Utah in order to enable Ares Utah to build its U.S. operation and satisfy certain requirements under the Indenture. The balance of the net proceeds of the Offering will be used by the Company to pay certain outstanding payables and for general working capital. The Shares will be subject to a statutory hold period of four months and one day from the date of issue.

The Shares issued under the Offering have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States or to a U.S. Person absent registration or an applicable exemption from the registration.

For additional details, see the Company’s news release dated April 19, 2022 available under the Company’s profile on [SEDAR+](#).

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

*“James Walker”*

James Walker, CEO

For further information, please contact:

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

### *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. Forward-looking statements in this news release include, but are not limited to, statements regarding expected completion date of the Offering, the repayment of principal and interest under the Bonds, the development of the processing plant for the Project and anticipated use of proceeds from the Bonds and Offering. Important factors that could cause actual results to differ materially from the Company's expectations include unanticipated market, economic and other conditions which may adversely affect the Company's ability to repay the amounts owed under the Bonds, to construct the processing plant on the Lost Sheet property on the terms acceptable to the Company, or at all, and other risks detailed from time to time in the filings made by the Company with the securities regulatory authorities. 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.*