

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

May 31, 2024

ITEM 3 News Release

The news release dated May 31, 2024 was disseminated via NewsWire.

ITEM 4 Summary of Material Change

The Company announced that, further to its news release dated May 10, 2024 which announced a non-brokered private placement offering of a minimum of 5,555,555 units of the Company (each, a “**Unit**”) and a maximum of 22,222,222 Units at a price of \$0.18 per Unit pursuant to the listed issuer financing exemption (the “**LIFE Exemption**”) for gross proceeds of a minimum of \$1,000,000 and a maximum of \$4,000,000 (the “**LIFE Offering**”), it has closed the first tranche of the LIFE Offering by issuing 5,984,986 Units at a price of \$0.18 per Unit, for aggregate gross proceeds of \$1,077,297.48.

Each Unit shall consist of one (1) common share in the capital of the Company (each, a “**Common Share**”) and one non-transferable Common Share purchase warrant (each, a “**Warrant**”). Each Warrant is exercisable into one (1) Common Share (each, a “**Warrant Share**”) at a price of \$0.26 per Common Share for a period of two (2) years following the closing date of the Life Offering, provided that, if the 10-day volume-weighted average trading price of the Common Shares as quoted on the Canadian Securities Exchange (the “**CSE**”) (or such other securities exchange on which the Common Shares may be traded at such time) is equal to or greater than \$0.40 at the close of any trading day, then the Company may, at its discretion, accelerate the expiry date of the Warrants by issuing a news release (a “**Warrant Acceleration News Release**”) announcing that the expiry date of the Warrants shall be deemed to be on the 30th day following the date of the Warrant Acceleration News Release (the “**Accelerated Expiry Date**”) (the “**Acceleration Clause**”). All Warrants that remain unexercised following the Accelerated Expiry Date shall immediately expire and all rights of holders of such Warrant shall be terminated without any compensation to such holder. Units offered under the Life Exemption will not be subject to resale restrictions for Canadian resident investors pursuant to applicable Canadian securities laws.

In connection with the closing of the first tranche, an aggregate of \$86,183.80 was paid in cash and a total of 478,798 finder’s warrants (each, a “**Finder’s Warrant**”) were issued to Canaccord Genuity Corp. as finder’s fees. Each Finder’s Warrant entitles the holder thereof to acquire one (1) common share in the capital of the Company (a “**Finder’s Warrant Share**”) at a price of \$0.26 per Finder’s Warrant Share for a period of two (2) years following the closing date of the first tranche. The Finder’s Warrants are subject to the Acceleration Clause. Any securities issued as Finder’s Fees are subject to a 4-month hold period from the date of issuance.

The balance of the LIFE Offering is expected to close on or before June 24, 2024, and is subject to certain conditions, including, but not limited to, the receipt of all necessary regulatory and other approvals. The Company intends to use the proceeds of the LIFE Offering as disclosed in the Life Offering Document dated May 9, 2024, which is available under the Company’s profile on www.sedarplus.com and on the Company’s website (www.aresmining.com), for completing the

ramp installation to intersect fluorspar mineralization at depth at its Lost Sheep fluorspar property located in Delta, Utah, to provide feed for the manufacturing facility which is currently under construction and for general and corporate working capital purposes.

None of the securities issued in connection with the Life Offering will be registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This news release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where 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.sedarplus.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

May 31, 2024