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**June 17, 2024**

**AMENDED AND RESTATED OFFERING DOCUMENT  
UNDER THE LISTED ISSUER FINANCING EXEMPTION**

**(AMENDING AND RESTATING THE OFFERING DOCUMENT DATED MAY 9, 2024)**



**ARES STRATEGIC MINING INC.  
(the “Company” or “Ares”)**

**SUMMARY OF OFFERING**

## What are we offering?

<b>Offering:</b>	Units at a price of \$0.18 per unit (each, a “ <b>Unit</b> ”). Each Unit consists of one (1) common share in the capital of the Company (each, a “ <b>Common Share</b> ”) and one Common Share purchase warrant (each, a “ <b>Warrant</b> ”). Each Warrant is exercisable into one (1) Common Share (each, a “ <b>Warrant Share</b> ”) at a price of \$0.26 per Warrant Share for a period of two (2) years from the issue date of the Warrants, provided that if the 10-day volume-weighted average trading price of the Common Shares as quoted on the Canadian Securities Exchange (the “ <b>CSE</b> ”) (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 option, accelerate the expiry date of the Warrants (the “ <b>Expiry Date</b> ”) by giving notice to the holders thereof by issuing a press release announcing that the Expiry Date shall be deemed to be on the 30 <sup>th</sup> day following the date of such press release.
<b>Offering Price:</b>	\$0.18 per Unit.
<b>Offering Amount:</b>	<p>Up to 16,111,111 Units, for gross proceeds of up to \$2,900,000 (the “<b>Offering</b>”). There is no minimum offering amount. Pursuant to an offering document dated May 9, 2024 (the “<b>Initial Offering Document</b>”), the Company offered a minimum of 5,555,555 Units, for gross proceeds of up to \$1,000,000, and a maximum of 22,222,222 Units for gross proceeds of up to \$4,000,000 (the “<b>Initial Offering</b>”). On May 31, 2024, the Company closed the first tranche of the Initial Offering and raised gross proceeds of \$1,077,297.28. On June 7, 2023, the Company closed a second tranche of the Initial Offering and raised gross proceeds of \$996,709.86. To date, the Company has raised an aggregate amount of \$2,074,007.14 from the first and second tranche closings of the Initial Offering. This Offering Document amends and restates the Initial Offering Document by, among other things, removing the minimum offering set out in the Initial Offering Document and setting the Offering at up to 16,111,111 Units.</p> <p>The Company expects to complete one or more tranches of the Offering to raise gross proceeds of up to \$2,900,000 which, when added to the proceeds raised under the Initial Offering, will result in gross proceeds from the Initial Offering and Offering of up to \$4,900,000.</p>
<b>Closing Date:</b>	The first tranche of the Initial Offering closed on May 31, 2024 and the second tranche of the Initial Offering closed on June 7, 2024. The Offering is expected to close on or before July 29, 2024, and may close in one or more tranches (each such closing, a “ <b>Closing Date</b> ”).
<b>Exchange:</b>	The Common Shares are listed on the Canadian Securities Exchange (“ <b>CSE</b> ”) under the trading symbol “ARS”, on the OTCQX Venture Market (“ <b>OTCQX</b> ”) under the trading symbol “ARSMF” and on the Frankfurt Stock Exchange (“ <b>FSE</b> ”) under the trading symbol “N81”.
<b>Last Closing Price:</b>	The last closing price of the Common Shares on the CSE, on the OTCQX and on the FSE on June 14, 2024 was \$0.175, US\$0.12 and €0.11, respectively.

## **Description of the Common Shares**

The holders of Common Shares are entitled to one vote for each Common Share held at all meetings of Shareholders, to receive dividends if, as and when declared by the board of directors, and to participate in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Company. The Common Shares carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions.

## **Description of the Warrants**

Each Warrant will entitle the holder thereof to acquire one Warrant Share at an exercise price of \$0.26 per Warrant Share at any time prior to 5:00 p.m. (Vancouver time) on the date that is two (2) years from the issue date of the Warrants, after which time each outstanding Warrant will expire, subject to the accelerated expiry as described herein.

If the 10-day volume-weighted average trading price of the Common Shares as quoted on 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 option, accelerate the Expiry Date by giving notice to the holders thereof by issuing a press release which will disclose that the Expiry Date shall be deemed to be on the 30<sup>th</sup> day following the date of such press release.

The certificates representing the Warrants (each, a “**Warrant Certificate**”) will provide, in the event of certain alterations of the Common Shares, that the number of Warrant Shares which may be acquired by a holder of Warrants upon the exercise thereof will be accordingly adjusted for the number and price of the securities issuable upon the occurrence of certain events including but not limited to any subdivision, consolidation or reclassification of the Common Shares, payment of dividends outside of the ordinary course, or amalgamation/merger of the Company.

No fractional Warrant Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional Warrant Shares. The holding of Warrants will not make the holder thereof a shareholder or entitle such holder to any right or interest in respect of the Warrant Shares except as expressly provided in the Warrant Certificate. Holders of Warrants will not have any voting or pre-emptive rights or any other rights enjoyed by shareholders.

The Warrants are not transferrable. The Warrants will not be listed on the CSE and there is currently no market through which the Warrants may be sold.

***No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.***

All references in this Offering Document to “dollars” or “\$” are to Canadian dollars, unless otherwise stated.

**The Company is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 – *Prospectus Exemptions*. In connection with this offering, the Company represents the following is true:**

- **the Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing;**
- **the Company has filed all periodic and timely disclosure documents that it is required to have filed;**
- **the total dollar amount of this offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this offering document, will not exceed \$5,000,000;**
- **the Company will not close this offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution; and**
- **the Company will not allocate the available funds from this offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.**

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Offering Document contains “forward-looking information” within the meaning of applicable Canadian securities laws, which is based upon the Company’s current internal expectations, estimates, projections, assumptions and beliefs. The forward-looking information included in this Offering Document is made only as of the date of this Offering Document. Such forward-looking statements and forward-looking information include, but are not limited to, statements concerning estimates of future production, costs and dates of construction completion; costs of capital projects and commencement of operations; the Company’s expectations with respect to the use of proceeds and the use of the available funds following completion of the Offering; the sufficiency of the proceeds of the Offering to fund the Company’s business plan for the 12 months following the Closing Date; the completion of the Offering and the expected Closing Date. Forward-looking statements or forward-looking information relate to future events and future performance and include statements regarding the expectations and beliefs of management based on information currently available to the Company. Such forward-looking statements and forward-looking information often, but not always, can be identified by the use of words such as “plans”, “expects”, “potential”, “is expected”, “anticipated”, “is targeted”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements or forward-looking information are subject to a variety of risks and uncertainties, which could cause actual events or results to differ from those reflected in such forward-looking statements and forward-looking information, including, without limitation, risks with respect to: whether the current exploration programs of the Company will result in profitable commercial mining operations; potential discoveries and the Company’s ability to bring the Lost Sheep Property (as defined herein) into production due to attributes of the deposits, market conditions, mining costs, confirmation of land titles, environmental considerations and mining permits; the Company’s inability to control factors relating to the future price of fluorspar; changes in profitability due to current customers revising purchase orders; the Company’s ability to locate the most suitable technology for its operations resulting in the use of sub-par technology; the Company successfully building the advanced acidspar manufacturing facility; changes to the Company’s stated business plan; the operational risks against which the Company may not be insured against or for which insurance is not available; the impact of negative cash flows on the Company’s operations and how, if the Company is unable to obtain further financing, the Company’s business may fail; the impact of any decrease in market price of fluorspar and how it may impact the Company’s future financings; the impact of government regulations that can negatively affect economic justifications and or models; other risks described from time to time in the Company’s documents filed with Canadian securities regulatory authorities; the volatility of the capital markets; dilution as a result of future issuances of equity securities; conflict of interests of the Company’s directors and officers, as applicable; adverse impacts on the Company’s reported results of operations as a result of adopting new accounting standards or interpretations; changes in accounting standards and subjective assumptions, estimates and judgments by management related to complex accounting matters; environmental risks, including changes in federal, provincial and local government environmental regulation; unforeseen impacts to the Company’s business from adverse employee health effects; litigation risks; potential dilution of present and prospective shareholdings; currency risks; and financial reporting standards.

This list is not exhaustive of the factors that may affect any of the Company’s forward-looking statements or forward-looking information. Forward-looking information includes statements about the future and are inherently uncertain, and the Company’s actual achievements or other future events or conditions may differ materially from

those reflected in the forward-looking information due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this Company's continuous disclosure filings available at [www.sedarplus.ca](http://www.sedarplus.ca).

The Company provides no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, changing circumstances, or otherwise.

## SUMMARY DESCRIPTION OF BUSINESS

### What is our business?

The Company was incorporated under the *Business Corporations Act* (Ontario) ("**OBCA**") on November 20, 2009 as "Northern Iron Corp. On December 6, 2016, "Northern Iron Corp." changed its name to "Lithium Energy Products Inc.". On February 13, 2020, "Lithium Energy Products Inc." changed its name to "Ares Strategic Mining Inc.". On December 6, 2023, the Company continued out of the OBCA and into the *Business Corporations Act* (British Columbia) ("**BCBCA**").

The Company is a junior mineral resource company whose principal business is to develop, explore, mine and process fluorite on its "Lost Sheep" property (the "**Lost Sheep Property**") located approximately 72 kilometres northwest of Delta, Utah. The Company acquired the Lost Sheep Property in 2020 pursuant to a three-cornered amalgamation with American Strategic Minerals Inc. The Lost Sheep Property is owned by the Company's wholly-owned Utah subsidiary, Ares Strategic Mining Inc. ("**Ares Utah**"), and is currently comprised of 353 mining claims prospective for fluorite covering an area of approximately 5,982 acres. The Lost Sheep Property includes the Lost Sheep mine (the "**Lost Sheep Mine**"), a fully permitted, past-producing fluorite mine and processing facility. The Company is focused on developing the Lost Sheep Mine towards the production and supply of high-purity metspar and acidspar fluorite grades.

As of the date hereof, the Company controls, directly or indirectly, the following entities:

	Jurisdiction	Percentage Owned
Ares Strategic Mining, Inc. (" <b>Ares Utah</b> ")	Utah	100%
Canadian Iron Metallics Inc. (" <b>Canadian Iron</b> ")	Ontario	85%
Griffith Iron Metallics Inc.	Ontario	100% <sup>(1)</sup>
Karas Iron Metallics Inc.	Ontario	100% <sup>(1)</sup>
1200944 BC Ltd.	British Columbia	100%
101017 BC Inc.	Delaware	100% <sup>(2)</sup>

Notes:

- (1) Wholly-owned by Canadian Iron.
- (2) Wholly-owned by 1200944 BC Ltd

### Recent Developments

The following is a brief summary of the key recent developments involving or affecting the Company:

- On April 11, 2023, Ares Utah borrowed the principal sum of US\$4,420,000 pursuant to a loan (the “**USDA Loan**”) provided by the United States Department of Agriculture (“**USDA**”) under the USDA’s Business and Industry Guaranteed Loan Program (“**B&I**”). The B&I program is administered by the United States federal government to promote rural development and higher paying wages. Ares Utah obtained the USDA Loan for the purposes of developing the facilities and operations on the Lost Sheep Property. The USDA Loan is for a term of 15 years, with interest-only monthly payments for the first 12 months of the term, followed by monthly principal and interest payments, fully amortizing the principal balance over the remaining 168-month term of the USDA Loan.
- On April 18, 2023, Ares Utah acquired a 48-acre, industrially zoned manufacturing site in Delta, Utah, located within 100 kilometres of the Lost Sheep Property for the purposes of developing a fluorspar processing facility.
- On July 11, 2023, the Company announced that Ares Utah had completed the tailings storage facility design work for the planned fluorspar processing facility on its Lost Sheep Property. In addition, the Company issued 613,496 Common Shares at a deemed price of \$0.25 per Common Share to settle \$153,374 in debt owing to a creditor for past consulting services provided to the Company.
- On July 28, 2023, Ares Utah completed the fabrication of a new conveyor belt system for its plant and planned fluorspar processing operation. The belt system forms part of the mechanisms connecting the various processing stages of the metallurgical lumps plant, a system dedicated to producing specific high quality metspar grade products, in industry-preferred form.
- On September 15, 2023, the Company sold, assigned and transferred the Spinout Properties (as defined below) to Enyo Strategic Mining Inc. (“**Enyo**”), at the time its wholly-owned subsidiary, in consideration for Enyo Spinout Shares (as defined below). Subsequent to the transfer of the aforementioned properties, the Company completed a spinout of the Enyo Spinout Shares, as more particularly described in the section below titled “*Spinout Transaction*”.
- On December 6, 2023, the Company continued out of the OBCA and into the BCBCA. The continuation was approved by shareholders at the Company’s annual general and special meeting held on November 23, 2022.
- On December 15, 2023, Millard County, Utah (“**Millard County**”) created and issued a US\$10,000,000 tax-exempt Manufacturing Facility Revenue Bond (the “**Series 2023A Bond**”) and a US\$500,000 taxable Manufacturing Facility Revenue Bond (the “**Series 2023B Bond**”, and together with the Series 2023A Bond, the “**Bonds**”) under the State of Utah’s Private Activity Bond Program. The Bonds were created and issued for the purposes of raising capital to assist and facilitate new manufacturing enterprises in Utah. The Bonds were sold by Millard County to certain institutional purchasers, and the net proceeds derived therefrom were loaned to Ares Utah pursuant to a Loan Agreement dated December 1, 2023 (the “**Loan Agreement**”). Ares Utah received net proceeds of US\$9,500,000 from Millard County (the “**Bond Proceeds**”), as the Bonds were sold by Millard County at a discount. 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 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. The rights and interests of Millard County in and to certain agreements, including the Loan Agreement, were transferred and assigned, pursuant to an

Indenture of Trust dated December 1, 2023 (the “**Indenture**”), to Zions Bancorporation N.A. (the “**Trustee**”), on behalf of the purchasers of the Bonds. In addition, the Company entered into a Guaranty Agreement and Guaranty of Completion Agreement with the Trustee, pursuant to which the Company agreed to guarantee certain obligations of Ares Utah, including the repayment of the principal, interest and other amounts owed under the Bonds. The net proceeds from the Bonds are being used by Ares Utah to finance the acquisition, development, construction and reconstruction of a manufacturing facility for processing fluorspar material mined at the Lost Sheep Mine and to pay interest, costs and expenses related to the Loan Agreement (the “**Mine Development**”).

- On December 15, 2023, the Company completed a non-brokered private placement offering of 6,780,500 Common Shares at a price of \$0.20 per Common Share for gross proceeds of \$1,356,100 (the “**Bond-Related Share Offering**”). The net proceeds of the Bond-Related Share Offering were advanced to Ares Utah and deposited with the Trustee to be used for the Mine Development.
- On January 15, 2024, the Company issued 176,471 Common Shares at a deemed price of \$0.17 per Common Share to settle \$30,000 in debt owing to a creditor for past consulting services provided to the Company.
- On March 25, 2024, the Company provided an update on its ongoing diamond drill program for 2024, pursuant to which nine (9) diamond drill holes were completed as at March 25, 2024. Assay results were pending. The Company announced that the drill holes will assist technical personnel in defining the extent of fluorspar mineralization and in delineating the placement of certain structures for the fluorspar processing facility being constructed on the Lost Sheep Property.
- On March 28, 2024, the Company announced that it had engaged Pivotal CML Limited (“**Pivotal**”) of Dublin, Ireland to provide marketing and promotional services to the Company. The services will include marketing, search engine optimization, branding, media consulting, multimedia services, multi-region distribution, video production, investor packages, and website creative across multiple online platforms. As consideration for the marketing services the Company will pay Pivotal an aggregate fee of US\$600,010 in cash.
- On March 28, 2024, the Company announced that it intended to settle certain debt totaling \$139,672 to various arm’s length and non-arm’s length parties for services rendered and accrued management fees, by issuing an aggregate of 698,360 Common Shares at a deemed price of \$0.20 per Common Share.
- On April 5, 2024, the Company issued 848,360 Common Shares at a deemed price of \$0.20 per Common Share to settle \$169,672 in debt owing to various arm’s length and non-arm’s length parties in connection with past services rendered and in accrued but unpaid management fees to the Company.
- On May 10, 2024, the Company announced the Initial Offering for of a minimum of 5,555,555 Units and a maximum of up to 22,222,222 Units at a price of \$0.18 per Unit.
- On May 31, 2024, the Company closed the first tranche of the Initial Offering by issuing 5,984,986 Units at a price of \$0.18 per Unit, for aggregate gross proceeds of \$1,077,297.28.
- On June 6, 2024, the Company executed a term sheet with an institutional investor (the “**Investor**”) whereby the Investor agreed to participate in the Offering by subscribing for up to 8,333,333 Units for gross proceeds from of \$1,500,000. Pursuant to the terms of the term sheet, the Units to be issued to the Investor



will be subject to an escrow agreement, sharing agreement, subscription agreement and certain other agreements to be entered into between the Company and the Investor and a third-party escrow agent. The Company will pay the Investor a deposit of \$45,000, which is refundable to the Company upon closing of the subscription by the Investor.

- On June 7, 2024, the Company closed the second tranche of the Initial Offering by issuing 5,537,277 Units at a price of \$0.18 per Unit, for aggregate gross proceeds of \$996,709.86.

### ***Sale and Transfer of Liard and Vanadium Ridge Properties and Plan of Arrangement***

On October 5, 2022, the Company entered into an arrangement agreement with Enyo setting out the terms of the and conditions of a plan of arrangement (the “**Arrangement**”). Pursuant to the arrangement agreement, the Company agreed to: (i) transfer all of its right, title and interest in and to its Liard property and Vanadium Ridge property (together, the “**Spinout Properties**”) located in British Columbia, Canada in consideration of 13,900,065 common shares of Enyo (the “**Enyo Spinout Shares**”), (ii) undertake a capital reorganization (as described below), and (iii) exchange, on a *pro rata* basis, with the Ares shareholders of record on the share distribution record date, one New Ares Share (as defined below) and 0.1 of an Enyo Spinout Share for each Existing Ares Share (as defined below) held by a shareholder of Ares.

The Arrangement was approved by the Company’s shareholders (the “**Shareholders**”) at an annual and special meeting held on November 23, 2022 and by the Ontario Superior Court of Justice in its final order dated December 1, 2022. As part of the Arrangement, the Company completed a capital reorganization which included the renaming and re-designation of its common shares (the “**Existing Ares Shares**”) and the creation of a new class of common shares (the “**New Ares Shares**”). The Shareholders at the close of business on September 14, 2023 received one New Ares Share and 0.1 of an Enyo Spinout Share in exchange for each Existing Ares Share that was held by such Shareholder.

### **Material facts**

There are no material facts about the Company and Units (consisting of Common Shares and Warrants) being distributed hereunder that have not been disclosed either in this Offering Document or in any other document filed by the Company in the 12 months preceding the date of this Offering Document on the Company’s profile at [www.sedarplus.ca](http://www.sedarplus.ca). You should read these documents prior to investing.

### **What are the business objectives that we expect to accomplish using the available funds?**

The business objective of the Company is to ensure that, at a minimum, the Company will have sufficient unrestricted working capital for a period of 12 months following the distribution and for the Company to continue to develop and build its fluorspar processing facility on the Lost Sheep Mine located in Delta, Utah. The Company has engaged certain mining and construction consultants in Utah to provide a proposal on the estimated costs to construct a ramp to intersect fluorspar and which will provide feed for the fluorspar facility currently under construction.

## **USE OF AVAILABLE FUNDS**

### **What will our available funds be upon the closing of the Offering?**

		<b>Assuming 100% of the Offering</b>
A	Amount to be raised by this offering	\$2,900,000
B	Selling commissions and fees <sup>(1)</sup>	\$232,000
C	Estimated offering costs (e.g., legal, accounting, audit)	\$25,000
D	Net proceeds of offering: D = A – (B+C)	\$2,643,000
E	Working capital (deficiency) as at May 31, 2024 <sup>(2)(3)</sup>	\$7,913,177
F	Additional sources of funding <sup>(4)</sup>	\$996,709
<b>G</b>	<b>Total available funds: G = D+E+F</b>	<b>\$11,552,886</b>

## Notes:

- (1) The estimated selling commission and fees assumes that all subscribers to the Offering were introduced by a Finder (as defined below). For additional details, see “Fees and Commissions” below.
- (2) Consists of: (i) \$6,835,880 of the remaining balance of the Bond Proceeds and the Bond-Related Share Offering, which funds are held in trust and are “restricted” cash, to be used primarily for machinery and equipment related to the construction of the fluorspar plant; and (ii) \$1,077,297.28 in gross proceeds received by the Company pursuant to the closing of the first tranche of the Initial Offering.
- (3) On a consolidated basis.
- (4) Gross proceeds received by the Company pursuant to the closing of the second tranche of the Initial Offering.

**How will we use the available funds?**

<b>Description of intended use of available funds listed in order of priority</b>	<b>Assuming 100% of the Offering</b>
To finance ongoing work related to the installation of a ramp to intersect fluorspar mineralization at depth, which ramp shall provide feed for the fluorspar manufacturing facility currently under construction	\$4,117,006
To finance the acquisition, construction, reconstruction of our fluorspar processing facility in Delta, Utah	\$6,835,880
General Corporate and Administrative Expenses <sup>(1)</sup>	\$400,000
Unallocated Working Capital	\$200,000
<b>Total</b>	<b>\$11,552,886</b>

## Notes:

- (1) Estimated general corporate and administrative expenses are expected to consist of (without limitation): (i) \$75,000 for legal services; (ii) \$25,000 to pay for the CSE’s continued listing fees and transfer agent fees;

(iii) \$75,000 for administrative costs and fees; (iv) \$75,000 for accounting services and audit fees; (v) \$50,000 for overhead and expenses; and (vi) \$100,000 for salaries and contractor fees.

The above noted allocation of capital and anticipated timing represents the Company's current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. Although the Company intends to expend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan. See the "Cautionary Statement Regarding Forward-Looking Information" section above.

The most recent audited annual financial statements and interim financial report of the Company included a going concern note. The Company is focused on developing, exploring, mining and processing fluorite on the Lost Sheep Property and has not yet generated positive cash flows from its operating activities, which may cast doubt on the Company's ability to continue as a going concern. The Offering is intended to permit the Company to continue to achieve its business objectives and is not expected to affect the decision to include a going concern note in the next annual financial statements of the Company.

**How have we used the other funds we have raised in the past 12 months?**

<b>Date of Financing and Funds Raised</b>	<b>Intended Use of Funds</b>	<b>Use of Funds to Date/Explanation of Variances (if any)</b>	<b>Impact of Variances on Business Objectives and milestones (if applicable)</b>
June 7, 2024 \$996,709.86 Second tranche of Initial Offering	See "How will we use the available funds?" above.	The net proceeds have been used as planned.	N/A
May 31, 2024 \$1,077,297.28 First tranche of Initial Offering	See "How will we use the available funds?" above.	The net proceeds have been used as planned.	N/A
December 15, 2023 US\$9,500,000 Loan Agreement	A majority of the net proceeds of the funds were to be used by Ares Utah to finance the acquisition, construction, reconstruction, and equipping of a manufacturing facility for fluorspar material mined on the Lost Sheep Property and to satisfy certain requirements under the Loan Agreement.	The net proceeds have been used as planned.	N/A
December 15, 2023 \$1,356,100	The net proceeds of the funds were loaned by the Company to Ares Utah principally to finance the	The net proceeds have been used as planned.	N/A

Bond-Related Share Offering	acquisition, construction, reconstruction, and equipping of a manufacturing facility for fluorspar material mined on the Lost Sheep Property and to satisfy certain requirements under the Loan Agreement.		
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#### FEES AND COMMISSIONS

##### **Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?**

The Company may pay finder's fees to investment dealers and eligible finders (each, a "**Finder**") in respect of subscribers introduced by the Finder with respect to the closing of additional tranches of the Offering.

The Company may pay to each Finder, on the Closing Date, a cash commission of 8% of the gross proceeds raised in respect of the Offering from subscribers introduced by the Finder. In addition, upon the closing of the Offering, the Company shall issue to each Finder non-transferable Common Share purchase warrants (the "**Finder's Warrants**"), exercisable for a period of two (2) years following the Closing Date, subject to acceleration in the same manner applicable to the Warrants, to acquire in aggregate that number of Common Shares (each, a "**Finder's Warrant Share**") which is equal to 8% of the number of Units sold under the Offering to subscribers introduced by the Finder at an exercise price equal to \$0.26 per Finder's Warrant Share.

In connection with the closing of the first tranche of the Initial Offering, an aggregate of \$86,183.80 was paid in cash and a total of 478,798 Finder's Warrants were issued to Canaccord Genuity Corp. ("**Canaccord**") as finder's fees. Each Finder's Warrant entitles the holder thereof to acquire one (1) 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 (May 31, 2024). The Finder's Warrants issued pursuant to the closing of the first tranche are subject to acceleration in the same manner applicable to the Warrants. All of the securities that were issued to Canaccord pursuant to the closing of the first tranche of the Initial Offering are subject to a 4-month hold period from the date of issuance.

In connection with the closing of the second tranche of the Initial Offering, an aggregate of \$31,016.79 was paid in cash and a total of 172,315 Finder's Warrants were issued to Canaccord and Research Capital Corp. ("**RCC**") and as finder's fees. Each Finder's Warrant entitles the holder thereof to acquire one (1) 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 second tranche (June 7, 2024). The Finder's Warrants issued pursuant to the closing of the second tranche are subject to acceleration in the same manner applicable to the Warrants. All of the securities that were issued to Canaccord and RCC pursuant to the closing of the second tranche of the Initial Offering are subject to a 4-month hold period from the date of issuance.

##### **Do the Finders have a conflict of interest?**

With respect to the closing of the first and second tranches of the Initial Offering, the Company is not a "related issuer" or "connected issuer" of each of Canaccord and RCC, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

The Company may pay additional fees to eligible Finders with respect to any additional tranches of the Offering in accordance with applicable securities laws and the policies of the CSE and to the knowledge of the Company, it will not be a “related issuer” or “connected issuer” of any such Finder, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

## **PURCHASERS' RIGHTS**

### **Rights of Action in the Event of a Misrepresentation**

**If there is a misrepresentation in this Offering Document, you have a right: (a) to rescind your purchase of these securities with the Company, or (b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.**

**These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.**

**If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.**

**You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.**

## **ADDITIONAL INFORMATION**

### **Where can you find more information about us?**

Securityholders can access the Company's continuous disclosure filings on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under the Company's profile.

For further information regarding the Company, visit our website at: [www.aresmining.com](http://www.aresmining.com)

In connection with the purchase of Units under any additional tranches of the Offering, investors will be required to enter into a purchase agreement that will include terms and conditions that are typical for private placements of Units by reporting issuers similar to the Company.

***Investors should read this Offering Document and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment of Units.***

**CERTIFICATE OF THE COMPANY**

**This Offering Document, together with any document filed under Canadian securities legislation on or after June 17, 2023, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.**

**June 17, 2024**

By: \_\_\_\_\_ *"James Walker"*

Name: James Walker

Title: Chief Executive Officer and President

By: \_\_\_\_\_ *"Viktoriya Griffin"*

Name: Viktoriya Griffin

Title: Chief Financial Officer