



Ares Strategic Mining

**Bringing Fluorspar
Back to North America**

Investor Package

September 2024



Forward Looking Statement

This presentation contains forward looking statements that are based on management's expectations and assumptions. They include statements preceded by the words 'believe', 'estimate', 'expect', 'intend', 'will', and similar expressions, and estimates of future production, costs and dates of construction completion, costs of capital projects and commencement of operations. Actual results may differ materially from expectations. Among the important factors that could cause actual results to differ materially are the following:

Natural resource exploration and, ultimately, the development of deposits are activities subject to significant risks. The probability of success for any given exploration program cannot be predicted with any degree of certainty. It is impossible to know whether the current exploration programs of the Corporation will ultimately result in a profitable, commercial mining operation.

The ultimate economic value of a discovery and the decision to bring the project into production are based on a number of factors including the attributes of the deposit (such as its size and the quantity and quality of the ore), market conditions, mining costs, availability of financing, confirmation of land title, environmental considerations and mining permits. At any point in time throughout this exploration and evaluation process, results and external conditions can adversely affect its progress and outcome.

Investment in an exploration venture is highly speculative. Although there are examples showing that the returns on such investment can be proportionate to the investment risk, there is no guarantee that any current or future activities of the Corporation will ultimately lead to similar returns for its shareholders.

Production may vary from estimates for particular properties and/ or the Company as a whole because of changes in reserves, variation in ore mined from estimated grade and metallurgical characteristics, unexpected ground conditions, mining dilution, labour actions, and government restrictions. Cash costs may vary due to changes from reserve and production estimates, unexpected estimates based on total costs and reserve estimates, change based on actual amounts of unamortized capital and changes in reserves. Capital cost estimates are based on operating experience, expected production, estimates by and contract terms with third-party supplies, expected legal requirements, feasibility reports by Company personnel and others and other factors.

Factors involved in estimated time for completion of projects include the Company's experience completing capital projects, estimates by and contract terms with contractors, engineers, suppliers and others involved in design and construction of projects, and estimated time for the government to process applications, issue permits and take other actions. Changes in any factor may cause costs and time for completion to vary significantly from estimate. There is a greater likelihood of variation for properties and facilities not yet in production due to lack of actual experience.

Work performed on the properties described in this presentation has been insufficient to classify resource estimates as current resources. Historical and estimated resource tonnages and grades have not been verified by a Qualified Person under NI 43-101 requirements. The Company, therefore, is not treating historical and estimated resource numbers as verified estimates and investors are cautioned not to rely upon these estimations.

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Ares Strategic Mining (CNSX:ARS)

- Based in Vancouver, BC, Ares is currently focused on developing its 100%-owned Lost Sheep fluorspar project in Juab County, Utah, which consists of 353 claims spanning 5,982 acres
- The Lost Sheep mine was identified as the largest fluorspar deposit in Utah by the Utah Department of Natural Resources and is currently one of the few permitted and past-producing fluorspar mine in the United States
- Since 2019, Ares has conducted extensive exploration and drill programs at two past-producing sites: the Little Giant Pit (LGP) and Purple Pit. Assay results indicate that both sites contain large and high-grade fluorspar deposits, enabling for a low-cost and minimal capex operation
- In April 2023, Ares closed on a US\$4.42M loan granted from the U.S. Department of Agriculture (USDA). In April 2022, the company was allocated a US\$10M tax-exempt bond from the state of Utah under its Private Activity Bond Program. Both financings are expected to cover all the capital costs required to be in production
- Ares expects to be in production by Q1-Q2 of 2024

Fluorspar – A Critical Mineral

- In 2018, the U.S. government classified fluorspar as a Critical Mineral, “deemed critical to U.S. national security and the economy”
- Fluorspar remains the only non-metallic critical mineral, which is 100% imported. Policymakers in the U.S. are increasingly looking for ways to end their dependence of critical minerals from other countries, particularly China, given heightened geopolitical tensions
- China has steadily reduced its supply of fluorspar to the global market and turned a net importer in 2020, causing volatile prices and uncertain market conditions
- Fluorspar’s classification as a critical mineral translates to a faster permitting period, enabling mining operations to initiate more quickly than operations for conventional minerals

Fluorspar Primer

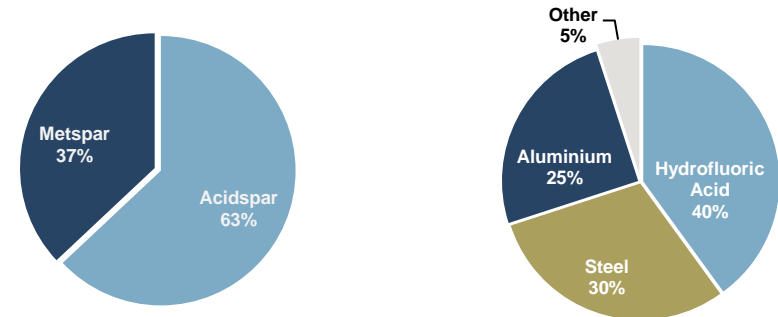
What is Fluorspar?

- Fluorspar, the commercial name for fluorite, is a hardrock mineral composed of 51.1% calcium and 48.9% fluorine (CaF_2). Fluorspar is the principal source of the world's fluorine supply
- The industry classifies fluorspar into two primary categories based on its CaF_2 content: metspar ($\text{CaF}_2 < 97\%$) and acidspar ($\text{CaF}_2 > 97\%$)
- Metspar is widely used as a flux in manufacturing steel and aluminium, as well as in applications related to pharmaceutical, batteries, and electronics
- Acidspar is used in the manufacturing of hydrofluoric acid, which is used as a starting point for a myriad of industrial consumer products including refrigerants, ceramics, solvents, high-performance plastics, and glassware
- Fluorspar is extracted by both open-pit and underground methods. Once the ores are extracted, they are crushed, washed, and beneficiated to upgrade the ore's purity, a process called flotation, depending on their use



Drilling at the Little Giant Pit, 2020

Fluorspar Production Mix and End Uses



Fluorspar flotation plant



Preparing fluorspar for sorting



Surface fluorspar mineralization at the Lost Sheep property

Ares Strategic Mining

Who We Are

Ticker CNSX: ARS, OTC: ARSMF, FRA: N8I1

Share Price (High-Low) \$0.19 (\$0.10-\$0.40)

Market Capitalization \$46.2M

Headquarter Unit 1001 - 409 Granville St.,
Vancouver, BC V6C 1T2

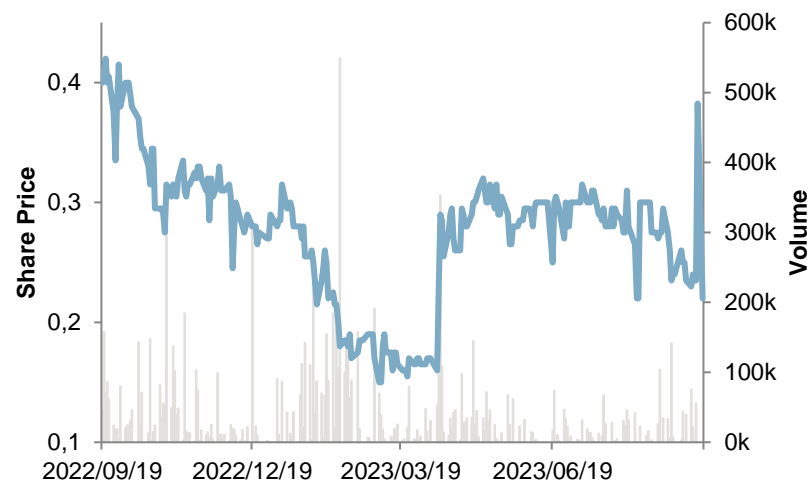
Mission To return fluorspar manufacturing
to North America

Project: Ares is currently focused on developing its 100%-owned Lost Sheep fluorspar project in Juab County, Utah, which consists of 353 claims spanning 5,982 acres

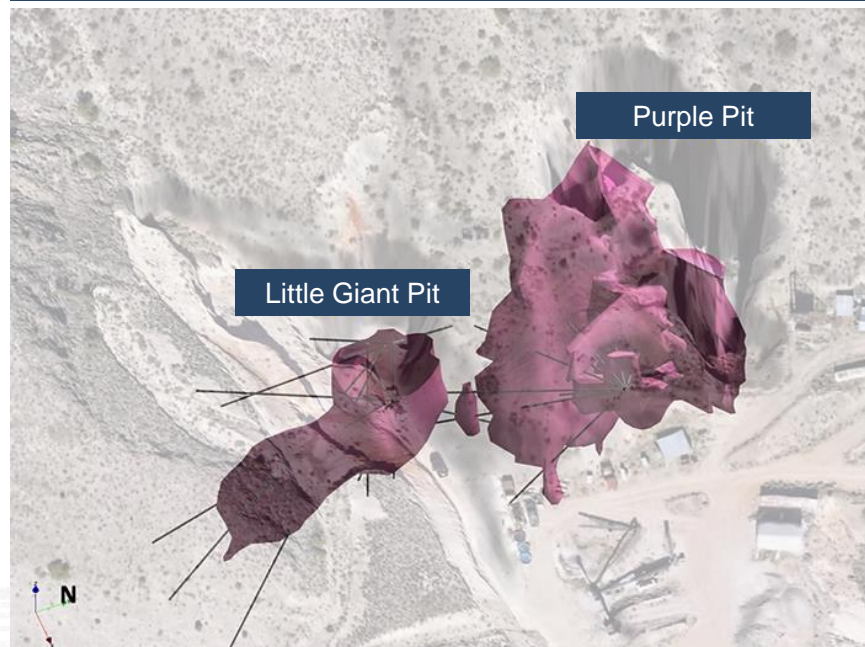
The Lost Sheep Mine - Overview

- Currently one of the few permitted and past-producing fluorspar mine in the United States
- Located in the Spor Mountain area, Juab County, Utah, approximately 214 km southwest of Salt Lake City
- Recognized by the Utah Department of Natural Resources as the largest fluorspar deposit in Utah
- First staked in 1948 and is estimated to have produced some 169,000 tons of metallurgical fluorspar between 1948 and 2014
- Characterized by high-grade fluorspar, enabling for a low cost operation and competitive pricing

Share Price Performance*



Rendering of the Main Ore Bodies at Lost Sheep Mine



*Share price as of September 21, 2023

Project Location



- Project Features**
- 98 km northwest of Delta and Lynndyl, Utah
 - Excellent road and rail access & infrastructure
 - Paved highway to site and extensive network of access roads on site
 - Access to experienced labor in Utah and surrounding states

Recent Developments

U.S. Government Funding

- In April 2023, Ares closed on a US\$4.42M loan granted from the United States Department of Agriculture (USDA) under its Business and Industry Guaranteed Loan Program (B&I)
- In April 2022, the company was allocated US\$10M (maximum available) tax-exempt bond from the state of Utah under its Private Activity Bond Program
- Both funding programs are expected to cover all the processing plant construction costs



Overview of the Lost Sheep mine

Plant Construction & Commissioning

- In April 2023, Ares closed on its purchase of a 50-acre industrial site, which the company will use to house both the lumps and flotation plants and a tailings facility
- In April 2023, the company also completed the construction of its railport in Lynndyl, Utah, which will enable it to economically transport fluorspar products anywhere in North America through Union Pacific
- In September 2023, Ares has engaged a local contractor to design, fabricate, and erect the plant and building to house its operations



Assembling plant components



Lumps plant components



Clearing and leveling plant site

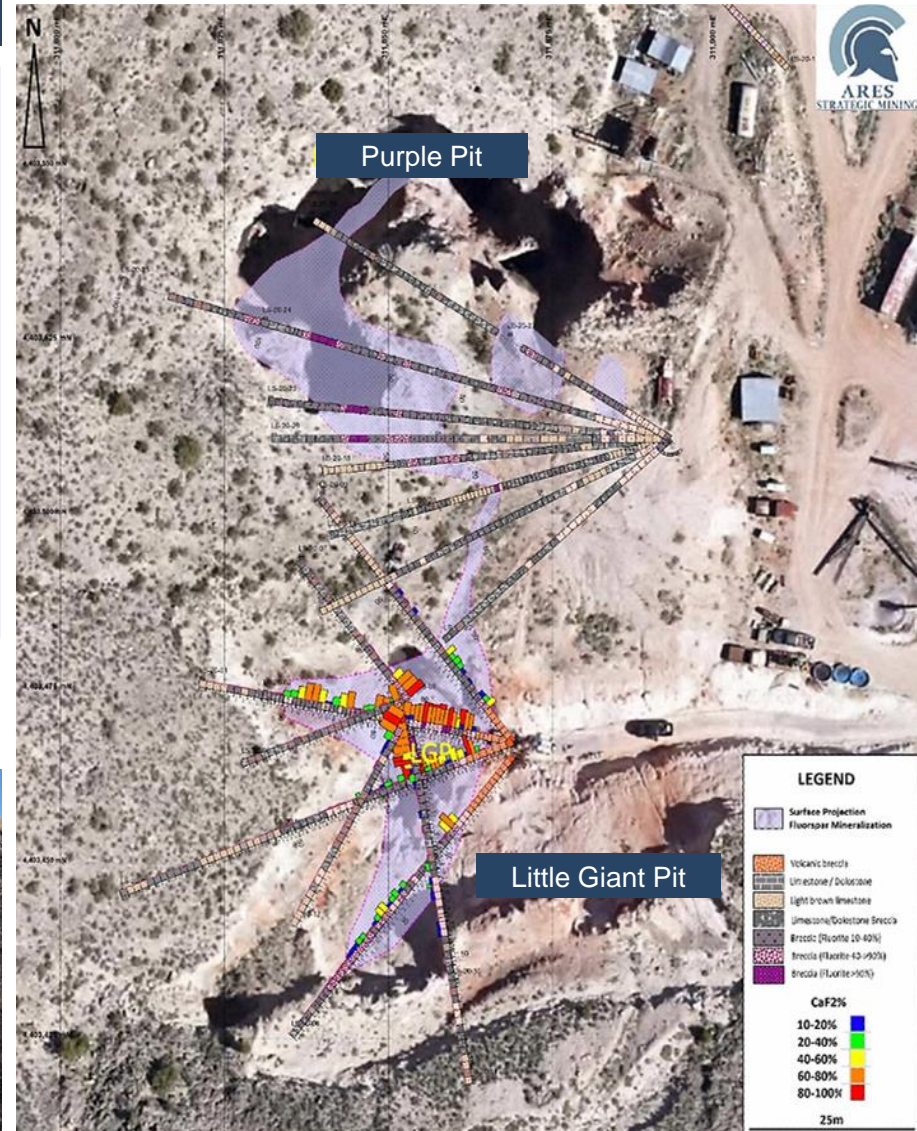
Consolidating the Spor Mountain District

Highest Naturally Occurring Fluorspar Grades in North America

- Technical studies confirming grades at Lost Sheep average ~75%
 - Higher than grades from Mexico and Vietnam
 - Typical grades at other global operations range from 5%-30%
 - Potential for direct ship metspar at Lost Sheep, with no further processing
- Consolidated 5,982 acre land (353 claims) package covering the entire Spor Mountain District
 - Uniformly high grades observed throughout the entire mountain range
- No fluorspar deposits of comparable size and grade have been identified in North America
- Near-term production potential on fully permitted land at the Lost Sheep Mine
 - Additional satellite mines can be permitted in ~6 weeks



Typical fluorspar found at the Lost Sheep mine



Drill programs

Industrial Facility

An Efficient Operation

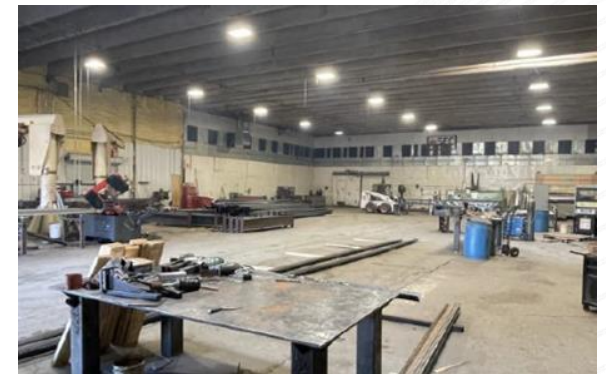
- In April 2023, Ares closed on its purchase of a 50-acre industrial site, which the company will use to house both the lumps and flotation plants to process metspar and acidpar, as well as a tailings facility
- Also in April, the company completed the construction of its rail port in Lynndyl, Utah, which enables it to economically transport fluorspar products anywhere in North America through Union Pacific
- Once mined from Lost Sheep, the fluorspar will be trucked to the Delta facility for processing and storage. They will then be transported to Lynndyl for shipment upon sale



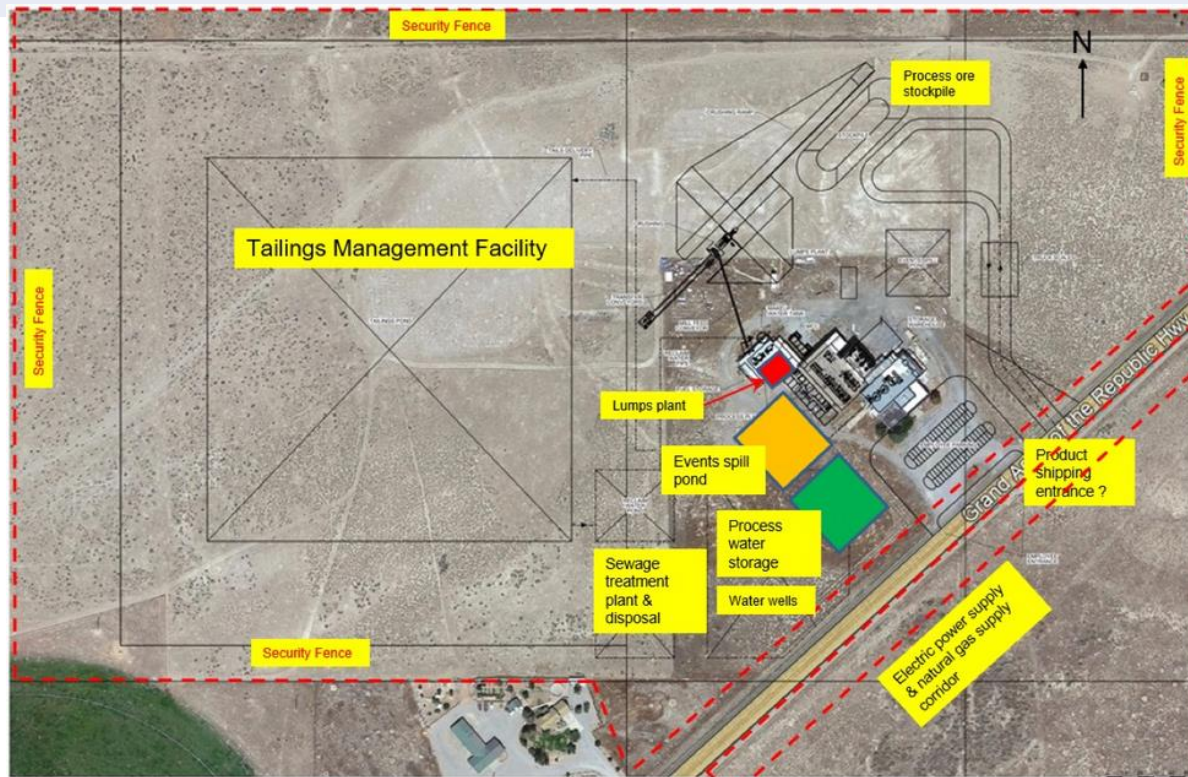
Access road to the Lost Sheep mine



Inside the industrial facility



Inside the industrial facility



Industrial facility plan, Delta, UT

Industry Landscape

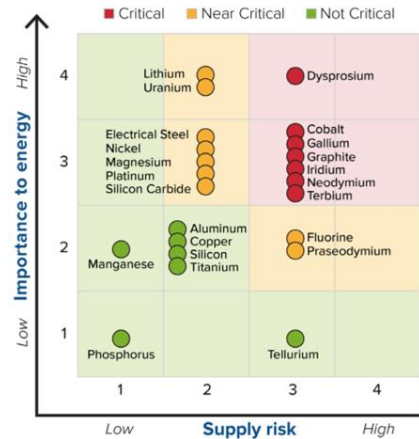
Fluorspar – A Critical Mineral

- The U.S. has been a 100% net importer of fluorspar since 1997
- In 2018 the U.S. government classified fluorspar as a Critical Mineral, “deemed critical to U.S. national security and the economy”
- In 2023, the U.S. Department Energy identified fluorine as a “near critical” mineral to energy with “high” supply chain risk in its Critical Mineral Assessment report
- Fluorspar remains the only non-metallic Critical Mineral, which is 100% imported in the entire country
- Fluorspar’s classification as a Critical Mineral in the United States translates to a faster permitting period, enabling mining operations to initiate more quickly than operations for conventional minerals

U.S. DOE Analysis of Fluorspar

The U.S. Department of Energy identified fluorine as a “near critical mineral” to energy with “high” supply chain risk

SHORT TERM 2020-2025



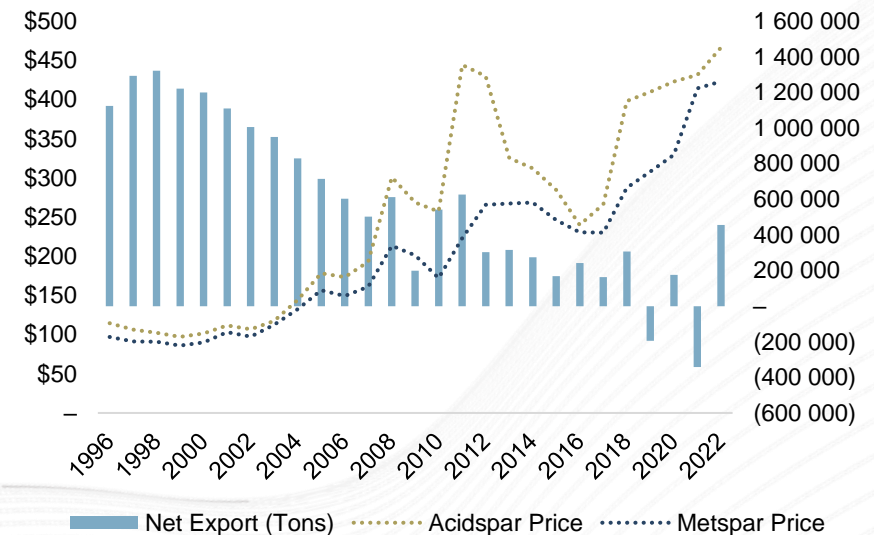
MEDIUM TERM 2025-2035



China Becoming a Net Importer of Fluorspar

- China has been among the world’s top exporter of fluorspar supplying 56% of the United States’ consumption between 1991 and 1994
- As China’s economy grows and the government imposes anti-pollution on unqualified mines, the country has steadily decreased its export of fluorspar and turned a net importer in 2020
- With heightened geopolitical tensions between the U.S. and China, policymakers in Washington are increasingly highlighting the need for the U.S. to localize its supply chain of critical minerals

China Fluorspar Export Quantity and Prices



LIFE Offering

Anticipated to close on or before October 6, 2024

- The LIFE Offering is a non-brokered private placement to secure funding at a minimum of \$500K and maximum of \$2.1M. The share price is fixed at \$0.18, offering a guarantee of stability for those concerned about share price volatility. Shares can be purchased through a registered broker or directly, facilitated by our partners at Capiche. (<https://secure.capiche.io/subscriptions/signup/qCaZBE2R>)
- For the details of this placement, please refer to the [Press Release dated August 23, 2024](#). This offering is anticipated to close on or before October 6, 2024.
- The intended use of the net proceeds from the LIFE Offering is to fund the ongoing construction and installation of a secondary ventilation system to meet MSHA requirements to safely remove fluorspar product via the new ramp installation at the [Lost Sheep Mine](#).

Management Team



James Walker | Chief Executive Officer

James Walker has extensive experience in engineering and project management; particularly within mining engineering, mechanical engineering, construction, manufacturing, engineering design, infrastructure, safety management, and nuclear engineering. James' professional experience includes designing nuclear reactors, submarines, chemical plants, factories, mine processing facilities, infrastructure, automotive machinery, and testing rigs. Mr. Walker holds degrees in Mechanical Engineering, Mining Engineering, and Nuclear Engineering, as well as qualifications in Project Management and Accountancy, and is a Chartered Engineer with the IMechE, registered as a Project Manager Professional with the APM, and registered with APEGA as an Engineer.



Viktoriya Griffin | Chief Financial Officer

Mrs. Griffin is a Chartered Accountant with over a decade of experience in her field. She started her career by leading audit and assurance services for public companies with international accounting firms, including Deloitte in the UK and Grant Thornton in Canada. Most recently, she led the CFO services line at Clearline CPA. Viktoriya is the CFO for several public companies on the TSXV with national and international operations. She is also a Board member and the Chair of the Audit and Finance Committee of Habitat for Humanity of Greater Vancouver.



Paul Sarjeant | VP of Exploration

Paul Sarjeant is a professional geologist with mineral exploration and development experience in North and South America and throughout Africa, Asia, and Europe. Mr. Sarjeant's career in mineral exploration spans 25 years. He has extensive experience having served in leadership roles for several small-cap exploration and development companies. He is also the President, CEO, and founder of Doublewood Consulting Inc. that provides technical and management services to the mineral exploration industry. Mr. Sarjeant holds a BSc (honors) in geological sciences from Queen's University in Kingston, Ontario and is a member of the Association of Professional Geoscientists of Ontario. Mr. Sarjeant is the Qualified Person for Northern Iron Corporation under NI 43-101.



Raul Sanabria | Fluorspar Expert

Raul Sanabria has over 20 years of international experience as an exploration and mine geologist in a variety of mineral deposits. He started his career working 5 years for MINERSA Group, the largest European Fluorspar Producer. He is currently President and director of Baroyeca Gold & Silver Inc., and served senior exploration roles with Rover Metals Corp., Tudor Gold Corp., Red Eagle Exploration, American Creek Resources Ltd., G4G Resources Ltd., and Northern Iron Corp. He was President and CEO of Condor Precious Metals Inc.



Tom Klaimanee | Corporate Secretary

Tom Klaimanee has been working with the Company since 2010 and has a wealth of international and management experience. He provides administrative services to private and publically listed companies. Mr. Klaimanee holds a Master of Business Administration from the University of Southern Mississippi, U.S.A.

Near-Term Expansion & Revenue Expectations

Acidspar Operation

- Potential to expand operation to produce acidspar within months of restarting metspar operation
 - Minimal expansion capital required, estimated at US\$8M
 - Expansion includes the installation of a flotation circuit at the processing facility
 - Expansion allows Ares to increase production and purity of material from metspar (+97%)
- Expands production to 5,000+ tons of acidspar per month
 - Acidspar is currently priced at US\$550/ton
 - Expansion increases revenue and margin
 - Potential to optimize operations to produce both metspar and acidspar at optimized economic rates

Revenue Expectations at Full Operation

Ares currently has an MOU with Cremer Erzkontor (formerly Possehl Erzkontor) to sell 60,000 tons of fluorspar

Production 2025	60,000 tons
Qty of Acidspar	54,000
Qty of Metspar	6,000
Price of Acidspar/ton	US\$500
Price of Metspar/ton	US\$400
Revenue	US\$29M (C\$40M)



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Back to North America

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