Aero Energy and Fortune Bay Announce Completion of Drilling Program on the Murmac Uranium Project, Saskatchewan

24.07.2024 | Newsfile

Drill Currently Moving to the Adjacent Sun Dog Project

Vancouver, July 24, 2024 - Aero Energy Ltd. (TSXV: AERO) (OTC Pink: AAUGF) (FSE: UU3) ("Aero" or the "Company") is pleased to announce completion of the 2024 summer drill program on the Murmac Uranium Project ("Murmac" or the "Project"), located in northern Saskatchewan near Uranium City. The program was designed to test regional targets across the Project for high-grade, unconformity-related basement-hosted deposits typical of the Athabasca Basin. The drilling program was funded by Aero and operated by Fortune Bay Corp. (TSXV: FOR) (OTCQB: FTBYF) (FSE: 5QN) ("Fortune Bay"), pursuant to the underlying option agreement between the companies.

Highlights:

- New Shallow Discovery of Radioactivity: An average of 1,309 counts per second was intersected over 8.7 metres in hole M24-017 in structured graphitic pelite, with up to 33,600 counts per second ("cps") (using handheld RS-125 Spectrometer) associated with visible uranium mineralization. This interval is located approximately 70 to 78 metres below surface.
- Uranium Fertile Target: Hole M24-017 was followed up with three additional holes (M24-018, -019 and -020), comprising approximate 50 metre step outs down-dip, along-strike northeast, and along-strike southwest, respectively. All three holes returned anomalous radioactivity (up to 850 cps) in graphitic rocks underlying a hematized quartzite hangingwall.
- Excellent Prospectivity Confirmed: These results (drill holes M24-17 to -020) confirm the presence of a larger hydrothermal uranium mineralizing system along this unexplored, 1.2 kilometre long electromagnetic ("EM") conductor on the Howland Corridor.
- Strong Alteration at Additional Targets: Drill holes M24-021, M24-022A and M24-023, tested geophysical (EM and gravity) anomalies H6, A22, and H16 respectively, intersecting compelling hydrothermal alteration and structure associated with variably graphitic rocks, further confirming the prospectivity of the entire length of the Howland and Armbruster Corridors for unconformity-related, basement-hosted deposits.
- Assays Pending and Follow-Up Drilling Planned: Following uranium assay and geochemical analysis of drill core samples, a second phase drilling program is being planned to follow-up along strike of mineralized drill holes and continue testing of priority drill targets across the Project.
- Additional Drilling Imminent: The Company is currently transitioning its focus to the adjacent Sun Dog project where a drill program will be operated by Standard Uranium. Details of this program were announced on July 18, 2024.

Galen McNamara, CEO of Aero Energy, stated, "The discovery of a new zone of radioactivity in the right rocks from wild-cat drilling in only our second ever hole underscores our strong conviction that unconformity-related basement-hosted uranium deposits akin to Arrow, Triple-R and Gryphon could exist in the area. In my opinion, the relatively smaller and lower grade deposits historically mined in the Uranium City area, where my cousin Gilbert Labine developed the nationally important Gunnar Mine in the early 1950's, serve as a smoke screen to the larger modern exploration target. Our projects host a 30 km trend of the correct graphite-bearing rocks which act as a chemical sponge for uranium-bearing fluids, all of which are grossly underexplored for the type of mineralization we seek. We are now very much looking forward to imminent drilling on the Sun Dog project."

Initial Drill Results

A total of eight drill holes were completed at Murmac during June and July, 2024 to test targets documented in the News Release dated June 4, 2024 along the Pitchvein, Armbruster and Howland Corridors (Figure 1; Table 2). Drill holes targeted compelling geophysical signatures (electromagnetics and gravity) and favorable geological/structural settings. Drill target selections also took into account proximity to historical uranium occurrences of interest and Fortune Bay's previous positive drilling results. The completed drill holes encountered highly favorable geological settings for high-grade basement-hosted deposits associated with the Athabasca Basin. This included:

- Thick and strongly graphitic target units (up to an estimated ~30 metres in true thickness) often in contact with quartzites, providing favorable competency/rheological contrast.
- Brittle faulting and brecciation were observed within, or proximal to, the graphitic units and were typically associated with favorable hydrothermal alteration including abundant hematite, chlorite, sulphides, and clays.
- Anomalous radioactivity (>300 cps) was intersected in five of the eight holes completed, associated with cataclastic or mylonitic structured and altered graphitic pelites, as summarized in Table 1.

Table 1: Murmac Drill Hole Radiometric Highlights (Summer 2024)

Hole ID		Radioactivity Highlights				
		From (m)	To (m)	Length (m)	cps	Lithology
M24-016A		93.50	93.65	0.15	350	Amphibolite
		94.75	95.05	0.30	340	Graphitic pelite
		95.70	95.95	0.25	340	Graphitic pelite
		235.65	235.80	0.15	340	Psammite
M24-017		81.10	81.70	0.60	432	Hematized quartzite
		82.55	83.05	0.50	590	Hematized quartzite
		84.00	84.60	0.60	838	Hematized quartzite
		85.50	85.80	0.30	317	Hematized quartzite
		85.80	94.50	8.70	1,309	Graphitic pelite
	incl.	86.10	86.65	0.55	10,608	Graphitic pelite
	incl.	86.45	86.55	0.10	33,600	Graphitic pelite
	and incl.	87.00	87.40	0.40	2,776	Graphitic pelite
	and incl.	92.00	92.20	0.20	7,395	Graphitic pelite
		126.80	127.20	0.40	355	Graphitic pelite
M24-018		138.15	142.05	3.90	337	Graphitic pelite
M24-019		100.90	101.10	0.20	650	Graphitic pelite
M24-020		154.85	155.25	0.40	553	Graphitic pelite

Note: Radioactivity values reported are total gamma from NQ2 drill core measured with a Super-SPEC RS-125 handheld spectrometer reported in counts per second ("cps"). The cps values are averages for the reported drill interval unless otherwise specified. Measurements of total gamma cps are an indication of the presence of uranium, thorium and/or potassium, but may not directly correlate with chemical uranium assays. Total gamma cps results are preliminary in nature and may not be used directly to quantify uranium concentrations in the drill core samples. True thicknesses of the drill core intersections are yet to be determined. Results for M24-017 have been reported previously.

Figure 1: Murmac 2024 Drill Collar Locations.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/8126/217524_853e7ca9d4518873_002full.jpg

Drill Hole Summary

Summaries of the drill holes are provided as follows:

M24-016A: The targeted conductor (moderate to strongly graphitic pelite) was intersected between 94.4 and

120.7 m. This step-out hole, approximately 100 metres northeast of positive results in 2022 drill holes M22-013 and M22-014, and 175 metres southwest of positive historical results from SMDC drilling (CKI-9 and CKI-10), intersected anomalous radioactivity in graphitic pelite (Figure 2), indicating possible continuity of mineralization between these two locations.

Figure 2: Hole M24-016A (target P7), 92.8 to 99.3 m. Anomalous radioactivity hosted in structured graphitic pelite.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/8126/217524_853e7ca9d4518873_003full.jpg

M24-017: This hole tested geophysical (EM and gravity) target H15, which occurs at the intersection of the EM conductor and a property-scale, mineralized cross-fault, beneath Howland Lake. Intermittent anomalous radioactivity (up to a maximum of 1,800 cps over 0.1 metre) was intersected in hematized, faulted hangingwall quartzite. This overlies a structured graphitic pelite averaging 1,309 cps over 8.70 metres, with measurements up to 33,600 cps over 0.1 metre. This intersection (Figure 3), of radioactivity hosted in previously unexplored (under a shallow lake) graphitic pelite, at a cross-fault location, provides a compelling validation of the exploration target, justifying down-dip and along strike follow up (subsequent three drill holes).

Figure 3: M24-017 (target H15) radioactive intersections (81.00 to 94.50 metres down hole). Hangingwall quartzite hosts intermittent radioactivity from 81.00 to 85.80 m. Continuous elevated radioactivity is hosted in the underlying graphitic pelite.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/8126/217524_853e7ca9d4518873_004full.jpg

M24-018: Steeper follow up of M22-017, shows down-dip continuity (approximate 50 metres vertical) in anomalous radioactivity hosted in graphitic pelite (Figure 4), up to a maximum of 660 cps over 0.1 metre.

Figure 4: M24-018 (down dip test of target H15) radioactive intersections in graphitic pelite down-dip (~50 m vertically below) of the intersection in M24-017.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/8126/217524_853e7ca9d4518873_005full.jpg

M24-019: Approximate 50 metre step out to the northeast from M22-017. Anomalous radioactivity was hosted in strongly graphitic pelite, confirming presence of active mineralizing system along strike, up to a maximum of 780 cps over 0.1 metre (Figure 5).

Figure 5: M24-019 radioactive intersections in graphitic pelite along strike 50 m to the NE of M24-017 (target H15).

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/8126/217524_853e7ca9d4518873_006full.jpg

M24-020: Approximate 50 metre step out to the southwest from M22-017. Anomalous radioactivity was hosted in graphitic pelite, confirming presence of active mineralizing system along strike, up to a maximum of 850 cps over 0.1 metre (Figure 6).

Figure 6: M24-020 radioactive intersections in graphitic pelite along strike 50 m to the SW of M24-017 (target H15).

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/8126/217524_853e7ca9d4518873_007full.jpg

M24-021: This hole tested a compelling geophysical (EM and gravity) target (H6) on the Howland Corridor. While no anomalous radioactivity was intersected, the targeted conductor (strongly graphitic pelite) is associated with intense hydrothermal alteration and pervasive faulting (Figure 7).

Figure 7: M24-021 (target H6) strongly graphitic pelite in contact with structured hydrothermally altered bleached and hematized quartzite.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/8126/217524_853e7ca9d4518873_008full.jpg

M24-022A: This hole tested a compelling geophysical (EM and gravity) target (A22) on the southern Armbruster Corridor. While no anomalous radioactivity was intersected, the targeted conductor (heavily structured strongly graphitic pelite) also shows hydrothermal alteration with a strongly hematized hangingwall quartzite overlying the graphitic unit (Figure 8).

Figure 8: M24-022A (target A22) hydrothermal alteration reduction/oxidation front, transitioning from hematized quartzite to underlying heavily structured strongly graphitic pelite.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/8126/217524_853e7ca9d4518873_009full.jpg

M24-023: This hole tested a compelling geophysical (EM and gravity) target (H16) on the Howland Conductor Corridor, also testing along strike (approximately 600 m SW) of positive results in 2022 drill hole M22-012. Only two minor intervals (<4 metres) of moderately graphitic pelite were intersected, with no other notable conductive horizons. This could indicate that M24-023 drilled through a faulted offset and missed the targeted conductor, drilling through heavily faulted and hematized underlying footwall quartzite.

M24-024 (P4): This hole was designed to test the southwest strike extension of the mineralized graphitic pelite in M22-013/014 along the Pitchvein Corridor, at the intersection with the same regional cross-cutting structure tested in M24-017 (target P4). The hole was abandoned at 47.5 metres due to intense brittle faulting within hematized quartzite and therefore did not reach the targeted graphitic unit. The intense faulting within the hangingwall is encouraging and the target warrants testing to the required depth. Alternative drill locations will be assessed for a future program.

Table 2: Murmac Drill Hole Summary (Summer 2024)

Hole ID	Target ID	Easting	Northing	Azimuth	Dip	Length (m)
M24-016A	P7	630799	6593053	302	-54	258
M24-017	H15	633345	6593642	310	-55	201
M24-018	H15DD	633345	6593642	310	-67	177
M24-019	H15NE	633385	6593691	298	-55	171
M24-020	H15SW	633337	6593593	305	-45	180
M24-021	H6	631386	6589720	315	-50	164.5
M24-022A	A22	627965	6585975	305	-55	167.7
M24-023	H16	632955	6592531	320	-55	177
M24-024	P4	630332	6592498	315	-45	47.5*

Notes: Coordinates are reported in UTM NAD83 Zone 12N. Azimuth is true north.
Target prefix A= Armbruster Corridor; H = Howland Corridor; P = Pitchvein Corridor.
*Drill hole M24-024 was abandoned due to intense brittle faulting.

Next Steps

Drill core samples have been collected systematically throughout all zones of radioactivity higher than 300 cps and will be submitted to SRC Geoanalytical Laboratories in Saskatoon for U_3O_8 assay and multi-element characterization. These analytical results will be integrated with the detailed logging information to prioritize

follow-up target areas for future drill testing, in addition to testing of numerous other priority regional targets. Following on from the Murmac drill program, Aero and Standard Uranium (TSXV: STND; OTCQBQB: STTDF; FWB: 9SU) plan to test additional targets on the adjacent Sun Dog Project located to the south of Murmac on the Crackingstone Peninsula.

Technical Disclosure

Preliminary radiometric results represent total gamma from NQ2 drill core measured with a Super-SPEC RS-125 handheld spectrometer reported in counts per second ("cps"). Measurements are typically collected over 0.10 to 0.15 metre intervals through areas of anomalous radioactivity (defined as >300 counts per second, or "cps"). Longer intervals with less variation are shown as length weighted averages for simplicity.

Core is removed from the core box and moved, if necessary, to a location where the instrument reads below background, and the measurement is collected by placing the sensor against the core at the required location. The drill cores are subject to comprehensive logging and sampling to characterize mineralization, alteration and structure. Drill core samples will be submitted to the Saskatchewan Research Council ("SRC") Geoanalytical Laboratories (ISO/IEC 17025:2005 accredited) for uranium assay and multi-element characterization. Reflectance spectrometry will be undertaken on additional core samples to determine the presence of indicator clay alteration.

Further details regarding the historical uranium occurrences noted in this news release can be found within the Saskatchewan Mineral Assessment Database (SMAD) and the Saskatchewan Mineral Deposit Index (SMDI). Fortune Bay has verified the majority of these occurrences through field prospecting and sampling, however there is a risk that any future confirmation work and exploration may produce results that substantially differ from the unverified historical results. The Company considers these unverified historical results relevant to assess the mineralization and economic potential of the property. The historical drill results obtained by SMDC in drill holes CKI-9 and CKI-10 can be found within the SMAD references 74N07-0310 and 74N07-0311 and have not been verified. Additional historical exploration results (uranium occurrences related to geochemistry results and scintillometer prospecting) derive from SMAD references 74N07-0290, 74N07-0287 and 74N07-0304.

Qualified Person

The technical content of this news release has been reviewed and approved by Galen McNamara, P. Geo., CEO of the Company and a qualified person as defined by National Instrument 43-101.

About the Murmac Project

Murmac, situated between the historical Gunnar and Lorado Uranium Mines, has shown significant promise. Historical exploration (1960-1980) revealed numerous high-grade uranium occurrences, though these were not systematically explored for basement-hosted mineralization typical of the Athabasca Basin. A 2022 drilling program by Fortune Bay confirmed the potential for high-grade uranium with significant findings in several drill holes, validating the exploration model.

About Aero Energy Limited

Aero Energy is a mineral exploration and development company advancing a district-scale 250,000-acre land package in the historic Uranium City district within Saskatchewan's Athabasca Basin. Aero Energy is focused on uncovering high-grade uranium deposits across its flagship optioned properties - Sun Dog, Strike, and Murmac - in addition to its fully owned properties. With the application of modern exploration techniques, the Company has identified over 50 shallow drill-ready targets and 125 kilometres of target horizon on the frontier north rim of the Athabasca Basin. Aero Energy is tapping into the Athabasca Basin's emerging potential for high-grade, unconformity-style mineralization.

On Behalf of the Board of Directors

Galen McNamara, Chief Executive Officer

Further information on the Company can be found on the Company's website at aeroenergy.ca and at www.sedarplus.ca, or by contacting the Company by email at info@aeroenergy.ca.

Cautionary Statement Regarding Forward-Looking Information

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian and U.S. securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology. The forward-looking information contained herein is provided for the purpose of assisting readers in understanding management's current expectations and plans relating to the future. These forward‐looking statements or information relate to, among other things the exploration and development of the Company's mineral exploration projects including completion of drilling activities.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual actions, events or results to be materially different from those expressed or implied by such forward-looking information, including but not limited to: the requirement for regulatory approvals; enhanced uncertainty in global financial markets as a result of the public health crises; unquantifiable risks related to government actions and interventions; stock market volatility; regulatory restrictions; and other related risks and uncertainties.

Forward-looking information are based on management of the parties' reasonable assumptions, estimates, expectations, analyses and opinions, which are based on such management's experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances, but which may prove to be incorrect.

The Company undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.

To view the source version of this press release, please visit https://www.newsfilecorp.com/release/217524