Aero Energy Announces Completion of Summer Drill Program at Sun Dog Project, Northwestern Athabasca Basin

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Vancouver, September 5, 2024 - Aero Energy Ltd. (TSXV: AERO) (OTC Pink: AAUGF) (FSE: UU3) ("Aero Energy" or the "Company") is pleased to announce that drilling activities have been completed at the Company's Sun Dog Uranium Project ("Sun Dog", or the "Project") located near Uranium City in northwestern Saskatchewan (Figure 1). The program was designed to test the newly identified Wishbone target area for high-grade basement hosted uranium deposits, typical of the Athabasca Basin.

Highlights:

- Anomalous Radioactivity at Wishbone: A total of 1,593 metres were completed across 8 drill holes targeting shallow high-grade basement-hosted uranium mineralization at the Wishbone target area (Figure 2). Intervals of anomalous radioactivity >300 counts per second ("cps") were intersected in seven of eight drill holes.
- Significant Structure & Alteration: Strongly graphitic fault rocks were intersected on both limbs of the Wishbone target area, coincident with widespread highly prospective clay-sericite alteration and hydrothermal hematite. These rocks and alteration products signal an ideal environment for basement hosted uranium deposits.
- Prospectivity Model Confirmed: Elevated radioactivity and increased hydrothermal alteration at Wishbone are largely associated with stacked graphitic structural zones, indicating favorable corridors for fluid movement and uranium deposition akin to other basement-hosted Athabasca deposits.
- Assays Pending & Follow-Up Drilling Planned: Following uranium assay and geochemical analysis of drill core samples, additional geophysics and a second phase drilling program are being planned to follow-up along strike of mineralized drill holes and continue testing of priority regional drill targets across the Project.

Galen McNamara, CEO of Aero Energy, commented, "The results from our initial drilling at Wishbone are highly promising and reinforce our confidence in the prospectivity of the Sun Dog Project. We are eager to build on these early successes with further exploration to unlock the full potential of this highly prospective region. We look forward to sharing the assay results from our initial summer drill programs in the coming weeks."

The Project is currently under a three-year earn-in option agreement (the "Option") with Standard Uranium (TSXV: STND) that was executed on October 20, 2023. The program was funded by Aero and operated by Standard Uranium. Sun Dog covers an area of 48,443 acres across nine mining claims, located 15 km from Uranium City on the northern margin of the Athabasca Basin. It hosts the historical Gunnar Uranium Mine which was discovered in 1952 and became the largest uranium producer globally in 1956. The Gunnar Mine produced approximately 18M lbs of U_3O_8 between 1953 and 1981[1,2].

Figure 1. Overview of the Sun Dog Project highlighting drill target areas, high-grade uranium occurrences, and EM-conductors.

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Figure 2. Detail map of the Wishbone target area highlighting 2024 drill holes, newly discovered mineralized graphitic metapelite outcrop, anomalous surface (RS-125 Scintillometer) and drill hole (EZ-Gamma

Down-Hole Probe) radioactivity, VTEM conductors and major faults.

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2024 Drill Program - Initial Results

The summer drill program comprised eight drill holes totalling 1,593 metres at the high-priority Wishbone target area following completion of a VTEM Plus survey and geophysical modeling earlier this year. A summary of radiometric results is provided in Table 1 and drill hole information is provided in Table 2. Select drill core photos are provided in Figure 3 and Figure 4.

Wishbone Target Area:

- Approximately five kilometres of strike length along a regional scale anticline, defined by strong VTEM conductors with associated radioactivity.
- Graphitic pelitic rocks have been mapped along both fold limbs, hosting strong radioactivity up to 22,300 cps (RS-125 Scintillometer).
- Mineralized cross-cutting faults have been mapped in the overlying rocks which intersect the uranium-bearing graphitic pelite unit.
- Historical outcrop sampling at the northwestern graphitic pelite exposure returned assay results of 0.32% U_3O_8 and 0.30% Cu (SMDI #2095).

Targets were selected and prioritized through an iterative approach working in collaboration with Standard, targeting compelling geophysical signatures and favorable geological/structural settings. Recent prospecting and mapping at the Wishbone target area outlined multiple outcrops of favourable uranium host-rocks, including graphitic pelite, which is commonly radioactive over >200 m of collective strike length.

The eight completed drill holes encountered highly favorable geological settings for high-grade basement-hosted deposits associated with the Athabasca Basin, including:

- Intervals of anomalous radioactivity (>300 cps) intersected in seven of the eight drill holes completed, associated with structural zones and favorable rock types including graphitic pelite.
- Graphitic-sulphidic stacked shear zones were encountered in multiple holes, many featuring prominent brittle reactivation features including breccias, cataclasites, and fault gouge.
- Significant hydrothermal alteration was intersected within all holes, including widespread hematization redox front alteration halos, sericitization, and structure-hosted chloritization. Strongly graphitic fault rocks are present all eight drill holes. Holes that intersected deformed pelitic gneiss were to host multiple metres of moderate to intense graphite.
- Regional structural setting confirmed, comprising an anticline with faulted hangingwall rocks overlying multiple graphitic horizons, effectively doubling prospective strike length due to folding (i.e., both limbs are prospective at Wishbone).

Table 1. 2024 Sun Dog Drill Hole Radiometric*** Highlights

DDH	From (m)	To (m)	Width (m)	Lithology	RS-125 Scintillometer			EZ-Gamma Probe	
					Min	Max	Avg.	Peak	Depth (m)
SD-24-014	199.5	200	0.5	Semipelitic Gneiss	220	300	260	369 327	40.0 200.4
SD-24-015	60.5	61	0.5	Granodioritic Gneiss	230	300	265	390	60.8
SD-24-016	57.5	58	0.5	Graphitic Pelitic Gneiss	210	350	280	315	57.4
SD-24-017	78.5	79	0.5	Granitoid Orthogneiss	260	310	285	506	49.3
SD-24-017	79	79.5	0.5		300	350	325		
SD-24-018	12.5	13	0.5	Semipelitic Gneiss	300	670	485	1,582	12.5
SD-24-018	25.5	26	0.5	Pelitic Gneiss	300	640	470	835	22.7
SD-24-019	118	118.5	0.5	Granitoid Orthogneiss	200	360	280	373	191.2

SD-24-020	23	23.5	0.5	Gabbroic and Granitic Gneiss	270	340	305	490	28.5
SD-24-020	28.5	29	0.5		230	330	280		
SD-24-020	29	29.5	0.5		250	360	305		
SD-24-020	33	33.5	0.5		220	330	275		
SD-24-020	45	45.5	0.5	Granitoid Orthogneiss	220	310	265		
SD-24-020	171	171.5	0.5	Granitic Gneiss	240	330	285		
SD-24-021	116	120.2	4.2	Pelitic Gneiss	225	275	250	223	30.9

The Company considers radioactivity readings greater than 300 counts per second (cps) to be "anomalous". Natural gamma radiation in outcrop reported in this news release was measured in counts per second (cps) using a handheld RS-125 super-spectrometer and a downhole Reflex EZ-Gamma probe. Readers are cautioned that scintillometer and gamma probe readings are not uniformly or directly related to uranium grades of the rock sample measured and should be treated only as a preliminary indication of the presence of radioactive minerals.

Table 2. Sun Dog Drill Hole Summary

DDH	Easting	Northing	Elevation (m.a.s.l.)	Azimuth (°)	Dip (°)	EOH (m)
SD-24-014	621252	6589540	252	115	-44	210
SD-24-015	621990	6589553	265	265	-45	174
SD-24-016	620925	6589306	251	120	-45	246
SD-24-017	621938	6589070	264	265	-45	177
SD-24-018	621285	6589519	254	100	-43	183
SD-24-019	621408	6589601	264	130	-45	201
SD-24-020	622066	6589706	253	285	-45	192
SD-24-021	620840	6589122	230	120	-45	210

Figure 3. Drill core photos from hole SD-24-014 highlighting intervals of anomalous radioactivity, alteration and structure. A) Faulted and strongly hematized and clay-altered hangingwall rocks hosting radioactivity up to 369 cps at 40.0 m. B) Strongly graphitic footwall conductor hosting radioactivity up to 327 cps. C) Deformed pelitic rock exhibiting sericite-hematite alteration; Up to 250 cps, 122.7 m.

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https://images.newsfilecorp.com/files/8126/222221_c8e2e09574010a51_004full.jpg

Figure 4. Drill core photos from hole SD-24-018 highlighting intervals of anomalous radioactivity, alteration and structure. A) Faulted and hematite-limonite-altered hangingwall rocks hosting radioactivity up to 1,582 cps at 12.5 m. B) Close-up of sheared and altered semipelitic gneiss hosting radioactivity up to 1,582 cps. C) Close-up of deformed pelitic rock hosting radioactivity up to 835 cps at 22.7 m. D) Strong sericite-clay and hematite alteration overprinting a graphitic shear zone; Up to 270 cps, from 88.2 to 96.15 m.

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Other high-priority target areas including McNie, Haven, Java, Skye, and Spring Dome are being reviewed with new datasets and models for a possible winter drill program in 2025.

Next Steps

Drill core samples have been collected systematically throughout all drill holes and 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.

The scientific and technical information contained in this news release has been reviewed, verified, and

approved by Galen McNamara, P.Geo., CEO of the Company and a "qualified person" as defined in NI 43-101.

Historical data disclosed in this news release relating to sampling results on the Sun Dog Project is historical in nature. Neither the Company nor a qualified person has yet verified this data and therefore investors should not place undue reliance on such data. The Company's future exploration work will include verification of the data. The Company considers historical results to be relevant as an exploration guide and to assess the mineralization as well as economic potential of the Project.

About Aero Energy Limited (TSXV: AERO)

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.

References

1. 2022 Winter Mineral Assessment Report, Sun Dog Property, Northern Saskatchewan, Canada, Standard Uranium, 2022
2. Information obtained from Saskatchewan Mineral Deposit Index and historical report from Uranium City Resources, 2007

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.

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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.

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