AERO ENERGY REFLECTS ON A SUCCESSFUL 2024 AND OUTLINES PATH FORWARD INTO 2025

Maiden Drill Programs Confirm High-Grade Basement-Hosted Uranium Potential

Vancouver, B.C. – January 2, 2025 – Aero Energy Limited ("Aero" or the "Company") (TSXV: AERO, OTC Pink: AAUGF, FSE: UU3) is pleased to provide a comprehensive summary of its operational achievements in 2024, highlighted by its successful maiden drill programs at the **Murmac** and **Sun Dog Projects** in northern Saskatchewan, and to outline exploration plans for 2025 as the Company advances its pursuit of discovering a high-grade uranium deposit at the edge of Canada's world-class Athabasca Basin.

2024 Highlights

Completion of Aero's First Drill Programs at Murmac and Sun Dog

- Aero successfully completed its maiden drill programs with a total of **16 drill holes** testing 12 targets across the two projects.
- At the **Murmac Project**, approximately **1,550 meters** of drilling were completed across **eight drill holes**, primarily testing the **Howland Lake North target**, where a new high-grade discovery was made.
- At the **Sun Dog Project**, approximately **1,600 meters** of drilling were completed across **eight drill holes**, starting with the **Wishbone target area**, which targeted shallow high-grade basement-hosted uranium mineralization.
- Encouragingly, **12 of the 16 holes intersected anomalous radioactivity**, validating the exploration potential across both projects.

New High-Grade Discovery at Murmac

- A major highlight of the 2024 program was a **new high-grade uranium discovery** at Murmac's Howland Lake North target. Drill hole **M24-017** intersected:
    - **8.4 m at 0.3% U_3O_8**, including exceptional intervals of **13.8% U_3O_8** over 0.10 m and **4.54% U_3O_8** over 0.10 m.
- This high-grade mineralization was encountered **only 64 metres below surface** within **strongly graphitic and structurally favorable rocks**, confirming the potential for shallow, basement-hosted uranium deposits similar to other world-class discoveries in the Athabasca Basin.

Exploration Thesis Confirmed

- Results at both Murmac and Sun Dog validate Aero's exploration thesis that underexplored graphitic corridors in this region of the **Athabasca Basin northern rim** represent exceptional opportunities for **high-grade uranium discoveries**.
- Mineralization encountered in graphitic, faulted, and brecciated rocks confirms the geological setting required for high-grade basement-hosted uranium systems.

Underexplored Opportunity

- Aero's exploration in 2024 has demonstrated the potential for over **70 kilometers of graphitic horizons** across the Murmac and Sun Dog projects.
- These corridors remain largely **untested**, presenting an **unparalleled opportunity** for district-scale discoveries of basement-hosted uranium.

Work Just Beginning – Significant Untapped Potential

- The targets tested during the summer 2024 drill program represent only a **small fraction** of the identified targets.
- Aero is currently working with its option partners to prioritize the most promising areas for **follow-up exploration** in 2025, including additional geophysics and drilling.

Looking Ahead to 2025

Building on the success of 2024, Aero Energy is well-positioned for a robust and focused exploration campaign in 2025:

- **Winter 2025 Drill Program at Murmac**
  - Aero will return to the Howland Lake North target to follow up on the **high-grade uranium discovery** in hole M24-017. The winter drill program will include approximately at least **6 drill holes to step-out from and** define the extent of this shallow mineralization.
  - A detailed **radon-in-water survey** will precede drilling to refine targets along the graphitic conductors at Howland Lake North and South, where additional mineralization has already been intersected.
- **Further Testing at Sun Dog**
  - Aero will advance Sun Dog with a focus on testing newly identified targets derived from 2024 geophysical surveys and surface geochemical sampling.
  - New exploration efforts will build upon the success of the 2024 program at the Wishbone target area, with further drilling planned to test shallow basement-hosted mineralization.
- **Unrealized Potential Across Both Projects**
  - With over **70 kilometers of graphitic corridors** and numerous high-priority targets remaining untouched, Aero's focus will expand beyond the 2024 discoveries to systematically explore and delineate **additional high-grade uranium zones** across Murmac and Sun Dog.

Galen McNamara, CEO of Aero Energy, commented:
"2024 has been a transformational year for Aero Energy as we successfully completed our first drill programs at Murmac and Sun Dog. The shallow, high-grade uranium discovery at Murmac's Howland Lake North validates our belief that these overlooked graphitic corridors are highly prospective for basement-hosted uranium deposits. With over 70 kilometers of largely untested conductors across our project areas, we are only at the beginning of unlocking the full potential

of these projects. In 2025, we will focus on expanding these discoveries through step-out drilling, additional surveys, and systematic exploration to advance Aero toward delineating a high-grade uranium deposit in the Athabasca Basin."

Stock Option Grant

The Company has approved the grant of 2,200,000 stock options to certain officers, directors, employees and consultants of the Company under the Company's stock option plan. The options vest in equal intervals over a one-year period following the grant date, are exercisable to purchase one Aero Common Share at a price of CAD $0.07 and expire on January 2, 2030.

About Aero Energy Limited

Aero Energy is a mineral exploration and development company advancing a district-scale 250,000-acre land package in Saskatchewan's historic Uranium City district within the Athabasca Basin. Aero 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. Aero is led by an award-winning technical team responsible for discoveries along the prolific Patterson Corridor that include the Gryphon (TSX: DML), Arrow (TSX: NXE), and Triple-R (TSX: FCU) deposits. With over 50 shallow drill-ready targets identified and 125 km of target horizon, Aero is tapping into the basin's emerging potential for high-grade, unconformity-style mineralization.

On Behalf of the Board of Directors

"Galen McNamara"
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.

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.

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