Aero Energy Completes Acquisition of Kraken Energy to Create a Premier North American Uranium Developer

Vancouver, B.C. – June 23, 2025 – Aero Energy Limited ("Aero") (TSXV: AERO, OTC Pink: AAUGF, FSE: UU3) and Kraken Energy Corp. ("Kraken") (CSE: UUSA, OTC Pink: UUSAF, FSE: F2C) are pleased to announce, further to their press release dated April 2, 2025, the completion of the plan of arrangement under the *Canada Business Corporations Act* (the "**Arrangement**"), whereby Aero acquired all of the issued and outstanding common shares of Kraken (the "**Kraken Shares**") pursuant to the arrangement agreement dated April 1, 2025 between Aero and Kraken.

Galen McNamara, CEO and Director of Aero, stated: "We're proud to merge with Kraken and create a leading uranium explorer that delivers substantial value to shareholders of both companies. By uniting Aero's Athabasca Basin strengths with Kraken's U.S. assets, we're positioned to unlock permits, scale effectively, and capture the uranium market's momentum with certainty."

Brian Goss, former CEO of Kraken and incoming Director of Aero, stated: "We welcome this merger with Aero as a decisive step to deliver strong returns for shareholders of both companies. Aero's exploration strength and capital expertise bolster our U.S. assets, notably the Apex Property. Our recent permitting efforts at Apex have demonstrated our ability to work with the USFS to get to drilling in the near future. This transaction will clear the path through permitting to capitalize on the uranium market's growth with proven resolve."

On June 17, 2025, the Supreme Court of British Columbia issued the final order to approve the Arrangement. The Arrangement received the requisite approval of the shareholders of Kraken (the "**Kraken Shareholders**") at the annual general and special meeting of Kraken Shareholders held on June 11, 2025.

Pursuant to the terms of the Arrangement Agreement, all of the issued and outstanding Kraken Shares were exchanged for an aggregate of 57,922,329 common shares of Aero (the "**Aero Shares**") on the basis of 0.97037 Aero Shares for each Kraken Share (the "**Exchange Ratio**"). Immediately following the completion of the Arrangement, there are 179,849,606 Aero Shares issued and outstanding, on an undiluted basis, of which approximately 67.79% are held by the shareholders of Aero immediately prior to the completion of the Arrangement and approximately 32.21% are held by the former Kraken Shareholders.

All outstanding stock options of Kraken were exchanged for stock options of Aero and all Kraken Share purchase warrants became exercisable to acquire Aero Shares, in amounts and at exercise prices adjusted in accordance with the Exchange Ratio.

The board of directors of Aero immediately following the completion of the Arrangement consists of five members, comprised of three existing directors of Aero and two nominees of Kraken, being Brian Goss and Garrett Ainsworth. Galen McNamara, Grace Marosits and Brandon Bonifacio will continue to serve as directors of Aero, following the resignation of Rony Zimerman. Galen McNamara will continue to serve as CEO and Director of the Aero, and Carson Halliday was appointed as the CFO and Corporate Secretary of Aero, following the resignation of Martin Bajic.

For additional details regarding the Arrangement, see Kraken's management information circular dated May 9, 2025, a copy of which can be found under Kraken's profile under SEDAR+ at www.sedarplus.ca.

The Kraken Shares are expected to be de-listed from the Canadian Securities Exchange effective as of the close of business on or about June 20, 2025. Aero also intends to submit an application to the applicable securities regulators to have Kraken cease to be a reporting issuer and terminate its public reporting obligations.

None of the securities issued pursuant to the Arrangement have been, or will be, registered under the United States Securities Act of 1933, or any state securities laws. This press release does not constitute an offer to sell, or the solicitation of an offer to buy, any securities.

Action Required by Kraken Shareholders

Registered shareholders of Kraken are reminded to submit a duly completed letter of transmittal and, as applicable, the certificate(s) and/or DRS advice(s) representing their Kraken Shares to Computershare Investor Services Inc.

Early Warning Reporting

Immediately prior to the completion of the Arrangement, Aero did not beneficially own, directly or indirectly, any Kraken Shares or other securities of Kraken. Immediately following the completion of the Arrangement, Aero beneficially owns, directly or indirectly, all of the issued and outstanding Kraken Shares. A copy of the early warning report in respect of the acquisition of the Kraken Shares may be requested from Aero by mail at Suite 918, 1030 West Georgia Street, Vancouver, British Columbia V6E 2Y3 and will be filed under Kraken's SEDAR+ profile at www.sedarplus.ca.

About Aero Energy

Aero and Kraken have merged to form a leading North American uranium developer, combining Aero's district-scale 250,000-acre land package in Saskatchewan's Athabasca Basin with Kraken's high-grade uranium properties in the United States. Aero contributes its flagship Sun Dog, Strike, and Murmac projects, guided by an award-winning team responsible for discoveries like Gryphon, Arrow, and Triple-R, with over 50 shallow drill-ready targets across 125 km of target horizon in the emerging Athabasca Basin. Kraken adds its 100%-owned Apex Uranium Property, Nevada's largest past-producing uranium mine, and the staked Huber Hills property, covering 1,044 ha in Nevada, encompassing the historic Race Track open pit mine. This merger creates a robust portfolio positioned to unlock high-grade, unconformity-style mineralization and capitalize on growing uranium demand. For more information about Aero, please visit aeroenergy.ca.

On Behalf of the Boards of Directors

"Galen McNamara"
Chief Executive Officer, Aero Energy Limited and Kraken Energy Corp.

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.

Cautionary Statement Regarding Forward-Looking Information

Certain information contained herein may constitute forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable securities legislation, that involve known and unknown risks, assumptions, uncertainties and other factors. Undue reliance should not be placed on any forward-looking statements. Forward-looking statements may be identified by words like "anticipates", "estimates", "expects", "indicates", "forecast", "intends", "may", "believes", "could", "should", "would", "plans", "proposed", "potential", "will", "target", "approximate", "continue", "might", "possible", "predicts", "projects" and similar expressions, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this press release include but are not limited to: the strategic rationale for, and anticipated benefits from the Arrangement; Kraken's ability to potentially fast-track the timeframe for obtaining permits at the Apex Property; and all statements about strategy, plans, objectives, and priorities.

Such statements reflect the current views of Aero and Kraken, with respect to future events and are subject to certain risks, uncertainties and assumptions that could cause results to differ materially from those expressed in the forward-looking statements. These risks and uncertainties include but are not limited to: the risk that Aero may not be able to realize the anticipated benefits of the Arrangement; risks related to capital market liquidity; risks related to the retention or recruitment, or changes required in, officers, key employees or directors following completion of the Arrangement; the possibility that Aero and/or Kraken may be adversely affected by other economic, business, and/or competitive factors; the impact of general economic conditions; volatility in market prices for uranium; industry conditions; currency fluctuations; imprecision of reserve estimates; liabilities inherent in uranium operations; environmental risks; incorrect assessments of the value of acquisitions and exploration and development programs; the lack of availability of qualified personnel, drilling rigs or other services; changes in income tax laws or changes in royalty rates and incentive programs relating to the uranium industry including abandonment and reclamation programs; hazards such as fire, explosion, blowouts, and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury; ability to access sufficient capital from internal and external sources; litigation and regulatory enforcement risks, including the diversion of management time and attention and the additional costs and demands on resources; general economic and business conditions; risks related to the uranium industry, such as operational risks in exploring for, developing and producing uranium and market demand; pricing pressures and supply and demand in the uranium industry; fluctuations in currency and interest rates; risks related to debt agreements and access to capital; inflation; risks of war, hostilities, civil insurrection, pandemics and epidemics, and general political and economic instability; severe weather conditions including wildfires and risks related to climate change; terrorist threats; risks associated with technology; changes in laws and regulations, including environmental, regulatory and taxation laws, and the application of such changes to Aero and/or Kraken's future business; availability of adequate levels of insurance; and difficulty in obtaining necessary regulatory approvals and the maintenance of such approvals. Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

With respect to forward-looking statements contained in this press release, Aero and Kraken have made assumptions regarding, among other things; the ability of Aero to realize benefits and efficiencies with respect to the Arrangement; future uranium prices; future currency exchange rates and interest rates; ability to obtain equipment and services in a timely manner to carry out development activities; ability to market uranium successfully to current and new customers; the impact of competition; the general stability of the economic and political environments in which Aero and Kraken operate; the ability to obtain qualified staff, equipment and services in a timely and cost efficient manner; capital and operating expenditures and other requirements as needed; that Aero will have the ability to develop its uranium properties in the manner currently contemplated; and other matters. Although Aero and Kraken believe that the expectations reflected in the forward-looking statements contained in this press release, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned that the foregoing list is not an exhaustive list of all assumptions which have been considered.

Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide Kraken Shareholders with a more complete perspective on Aero's and Kraken's current and future operations and such information may not be appropriate for other purposes. Actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits may be derived therefrom.

The forward-looking statements contained in this press release speak only as of the date of this press release. Accordingly, forward-looking statements should not be relied upon as representing Aero and Kraken's views as of any subsequent date, and except as expressly required by applicable securities laws, Aero and Kraken do not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.