PEGASUS RESOURCES INC.
Suite 700, 838 West Hastings Street
Vancouver, BC, V6C 0A6
www.pegasusresourcesinc.com

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING, MANAGEMENT INFORMATION CIRCULAR AND FORM OF PROXY FOR:

The 2026 Annual General and Special Meeting of shareholders (the "**Shareholders**") of Pegasus Resources Inc. ("**Pegasus**") to, among other things, consider, and if thought advisable, approve a Plan of Arrangement for the acquisition of Pegasus by Aero Energy Limited, and to consider annual general meeting matters, including the receipt of the annual financial statements, the election of directors, the appointment of auditors and the approval of the Pegasus' 10% rolling stock option plan, and such other business as may properly come before the Meeting.

to be held on / at:

Date: Wednesday, April 29, 2026

Time: 11:00 a.m. (Vancouver Time)

Place: Morton Law LLP, Suite 1200, 750 West Pender Street, Vancouver, BC V6C 2T8

RECOMMENDATION TO SHAREHOLDERS

The Pegasus Board, after careful consideration, unanimously recommends that the Shareholders vote IN FAVOUR of the special resolution to approve the Arrangement and IN FAVOUR OF the other matters to be considered at the Meeting.

These materials are important and require your immediate attention. They require the Shareholders of Pegasus Resources Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal, tax or other professional advisors. If you have any questions or require more information with respect to voting your securities at the Meeting, please contact Christian Timmins, President, Chief Executive Officer and Director, by email at info@pegasusresourcesinc.com or by telephone at 403-597-3410.

THE ARRANGEMENT AND THE RELATED SECURITIES DESCRIBED HEREIN HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY, INCLUDING WITHOUT LIMITATION ANY SECURITIES REGULATORY AUTHORITY OF ANY CANADIAN PROVINCE OR TERRITORY, THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, OR THE SECURITIES REGULATORY AUTHORITY OF ANY U.S. STATE, NOR HAS ANY OF THEM PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

PEGASUS RESOURCES INC.

CORPORATE DATA

Head Office

Pegasus Resources Inc.
Suite 700 – 838 West Hastings Street
Vancouver, BC, V6C 0A6

Directors and Officers

Christian Timmins – President, Chief Executive Officer & Director
Dave Bissoondatt – Chief Financial Officer & Director
Derrick Strickland – Director

Registrar and Transfer Agent

Endeavor Trust Corporation
Suite 702 - 777 Hornby Street
Vancouver, BC, V6Z 1S4

Legal Counsel

Morton Law LLP
Suite 1200, 750 West Pender Street
Vancouver, BC V6C 2T8

Auditor

Crowe Mackay LLP
Chartered Professional Accountants
Suite 1100, 1177 W Hastings Street
Vancouver, BC, V6E 4T5

Listing

TSX Venture Exchange (TSXV)
Symbol “PEGA”

OTCID Basic Market (OTCID)
Symbol “SLTFF”

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CHAIRMAN'S LETTER TO THE SHAREHOLDERS

March 27, 2026

Dear Shareholders,

The Directors of Pegasus Resources Inc. ("**Pegasus**" or the "**Company**") cordially invite you to attend the 2026 annual general and special meeting (the "**Meeting**") of the shareholders of Pegasus (the "**Shareholders**") to be held at Suite 1200, 750 West Pender Street, Vancouver, BC V6C 2T8 on Wednesday, April 29, 2026 at 11:00 a.m. (Vancouver time).

At the Meeting, Shareholders will be asked to consider certain annual general meeting matters, including the receipt of the annual financial statements, the election of directors, the appointment of auditors and the approval of the Company's 10% rolling stock option plan, and to consider and, if deemed advisable, pass a special resolution (the "**Arrangement Resolution**") approving a statutory arrangement (the "**Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) involving Pegasus, Aero Energy Limited ("**Aero**"), and the Shareholders of Pegasus. The Arrangement will ultimately result, through a series of transactions, in Shareholders (other than registered Shareholders who properly exercise their dissent rights as set out in the accompanying Management Information Circular of Pegasus) receiving one hundred thirty-three thousandths (0.133) of a common share of Aero (each whole common share, an "**Aero Share**" or the "**Consideration Shares**") for every one (1) common share of Pegasus ("**Pegasus Share**").

The terms of the Arrangement are the result of arms-length negotiations between representatives of Pegasus and Aero and their respective advisors. On February 27, 2026, Pegasus and Aero agreed to the strategic acquisition of Pegasus, by Aero and entered into an arrangement agreement (the "**Arrangement Agreement**"). The Arrangement Agreement provides for the implementation of the Arrangement pursuant to a plan of arrangement (the "**Plan of Arrangement**"), a copy of which is attached as Schedule "B" to the accompanying Management Information Circular of Pegasus.

Concurrently with the Arrangement Agreement, Aero entered into an arrangement agreement with Urano Energy Corp. pursuant to which Aero has agreed to acquire all of the issued and outstanding common shares of Urano by way of a statutory arrangement (the "**Urano Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia). The completion of each of the Arrangement and Urano Arrangement is not contingent on the completion of the other.

To be effective, the Arrangement Resolution must be passed by at least two-thirds (66⅔%) of the votes cast by all Shareholders present in person or represented by proxy at the Meeting, which holders are entitled to one vote for each Pegasus Share held. The Arrangement is also, among other things, subject to the approval of the Supreme Court of British Columbia.

The Arrangement values Pegasus at $0.063 per Pegasus Share based on the 21-day volume weighted average price of Aero and Pegasus' common shares on the TSX Venture Exchange ("**TSXV**").

The Pegasus Board has unanimously determined that the consideration to be received by Shareholders pursuant to the Arrangement is fair to Shareholders and that the Arrangement is in the best interests of Pegasus and it unanimously recommends that the Shareholders vote IN FAVOUR of the Arrangement Resolution and, therefore, the Arrangement and IN FAVOUR of the other matters to be considered at the Meeting, including the annual general meeting matters.

Certain directors and officers of Pegasus, representing approximately 4% of the Pegasus Shares, have entered into voting and support agreements (the "**Support Agreements**") with Aero pursuant to which they have agreed, subject to the terms of such agreements, to vote in favour of the Arrangement.

Outstanding stock options of Pegasus (the "**Pegasus Options**"), whether vested or unvested, will be deemed to be exchanged for such number of options to purchase Aero Shares ("**Replacement Options**") calculated in accordance with the Arrangement Agreement until the original expiry date of said Pegasus Option and to be

governed by the stock option plan of Aero. Outstanding share purchase warrants of Pegasus (the "**Pegasus Warrants**") will be adjusted in accordance with their terms and shall entitle the holder upon exercise following the effective time of the Arrangement (the "**Effective Time**") to purchase from Aero, on the same terms and conditions as were applicable to such Pegasus Warrant before the Effective Time, such number of Aero Shares calculated in accordance with the Arrangement Agreement.

Upon Closing: (i) the board of directors of Aero is expected to be comprised of William M. Sheriff as Chairman, Galen McNamara, John Hamrick, Grace Marosits, and Garrett Ainsworth and is expected to be managed by Galen McNamara as CEO, Carson Halliday as CFO, and Christian Timmins as VP Corporate Development; (ii) Aero is expected to continue under the name "Manhattan Uranium Discovery Corp." and trade under the symbol "MANU" on the TSXV; and (iii) the Pegasus Shares will be de-listed from the TSXV as soon as practicable following the Effective Date. Pegasus will also seek to be deemed to have ceased to be a reporting issuer (or the equivalent) under the securities legislation of each of British Columbia and Alberta.

The accompanying Management Information Circular provides a full description of the Arrangement and the other matters to be considered at the Meeting, and includes certain additional information to assist you in considering how to vote on the Arrangement Resolution and the other matters to be considered at the Meeting. You are encouraged to consider carefully all of the information in the accompanying Management Information Circular including the documents incorporated by reference therein. If you require assistance, you should contact your financial, legal or other professional advisor.

Your vote is important regardless of the number of Pegasus Shares that you own. If you are a registered holder of Pegasus Shares, we encourage you to take the time now to complete, sign, date and return the enclosed form of Proxy by no later than 11:00 a.m. (Vancouver time) on Monday, April 27, 2026, to ensure that your Pegasus Shares are voted at the Meeting in accordance with your instructions, whether or not you are able to attend in person. Pegasus may waive the time limit for the deposit of proxies in its discretion if it deems it reasonable to do so. If you hold your Pegasus Shares through a broker or other intermediary, you should follow the instructions provided by your broker or other intermediary to vote your Pegasus Shares.

Please also note that, in order to receive the consideration for your Pegasus Shares, you must submit the enclosed Letter of Transmittal together with your share certificates representing such Pegasus Shares by the deadline provided. Please refer to the Management Information Circular and Letter of Transmittal.

If you have any questions, please contact Christian Timmins, President, Chief Executive Officer and Director, by email at info@pegasusresourcesinc.com or by telephone at 403-597-3410.

We would like to thank all Shareholders for their ongoing support.

ON BEHALF OF THE BOARD OF
DIRECTORS OF PEGASUS RESOURCES INC.

(Signed) *"Christian Timmins"*
Christian Timmins
President, Chief Executive Officer & Director

HOW TO VOTE YOUR PEGASUS SHARES

ENDEAVOR VOTING METHODS	
MAIL or HAND DELIVERY	Endeavor Trust Corporation 702 – 777 Hornby Street Vancouver, BC V6Z 1S4
FACSIMILE – 24 Hours a Day	604-559-8908
EMAIL	proxy@endeavortrust.com
ONLINE	www.eproxy.ca

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NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that, pursuant to an order dated March 26, 2026 (the "**Interim Order**") of the Supreme Court of British Columbia (the "**Court**"), an annual general and special meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of Pegasus Resources Inc. (the "**Company**") will be held at Suite 1200, 750 West Pender Street, Vancouver, British Columbia V6C 2T8, on Wednesday, April 29, 2026 at 11:00 a.m. (Vancouver Time), for the following purposes:

1. to consider and, if deemed advisable, to pass a special resolution (the "**Arrangement Resolution**") approving a statutory arrangement (the "**Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") which involves, among other things, the acquisition of all outstanding shares in the authorized share structure of Pegasus (the "**Pegasus Shares**") by Aero Energy Limited ("**Aero**"), the issuance to Shareholders of one hundred thirty-three thousandths (0.133) of a common share of Aero (each whole common share, an "**Aero Share**") for every one (1) Pegasus Share held, as more fully set forth in the accompanying management information circular of Pegasus (the "**Information Circular**");

2. to receive and consider the annual financial statements of the Company for the fiscal year ended May 31, 2025, together with the report of the auditors thereon;

3. to fix the number of directors of the Company at three (3) for the ensuing year;

4. to elect directors for the ensuing year;

5. to appoint Crowe Mackay LLP, as auditors for the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor;

6. to consider and, if thought advisable, to pass an ordinary resolution to approve the Company's 10% rolling stock option plan for the ensuing year, as more particularly described in the accompanying Information Circular; and

7. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

To be effective, the Arrangement Resolution must be passed by at least two-thirds (66⅔%) of the votes cast by all Shareholders present in person or represented by proxy at the Meeting, which holders are entitled to one vote for each Pegasus Share held.

The record date for the Meeting has been fixed at March 20, 2026 (the "**Record Date**"). Only Shareholders of record at the close of business (Vancouver time) on the Record Date are entitled to receive notice of the Meeting and to vote their Pegasus Shares.

The Arrangement is also subject to the approval of the Court. The hearing in respect of the Final Order is scheduled on May 4, 2026 at 9:45 a.m. (Vancouver time) or as soon thereafter as counsel may be heard at 800 Smithe Street, Vancouver, British Columbia, Canada.

Copies of the Arrangement Resolution, the Plan of Arrangement, the Interim Order and Notice of Hearing of Petition are attached to the Information Circular as Schedules "A", "B", "C" and "D", respectively, and the Information Circular, including all schedules thereto other than the audited financial statements, is specifically incorporated by reference into and forms part of this Notice. Also accompanying this Notice are (i) a form of Proxy; (ii) an envelope for returning proxies to Endeavor Trust Corporation ("**Endeavor** "); (iii) a Letter of Transmittal for the Shareholders; and (iv) an envelope for Shareholders to use to return the Letter of Transmittal and certificates or DRS Advices representing the Pegasus Shares to the Depositary. Only Shareholders of record at the close of business

(Vancouver time) on the Record Date will be entitled to receive notice of the Meeting and to vote their Pegasus Shares.

PLEASE ENSURE THAT YOU COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED FORM OF PROXY AND THE LETTER OF TRANSMITTAL IN THE ENVELOPES PROVIDED FOR THOSE PURPOSES.

Pursuant to the Interim Order of the Court and the BCBCA, registered Shareholders have the right to dissent in respect of the Arrangement Resolution and be paid the fair value for their Pegasus Shares. The dissent rights are described in the accompanying Information Circular. Failure to strictly comply with the requirements set forth in the Plan of Arrangement attached as Schedule "B" to the Information Circular and Sections 237 to 247 of the BCBCA may result in the loss or unavailability of any right of dissent.

Persons who are beneficial owners of Pegasus Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only registered holders of Pegasus Shares are entitled to dissent. Accordingly, a beneficial owner of Pegasus Shares desiring to exercise dissent rights must make arrangements for beneficially owned Pegasus Shares to be registered in his, her or its name prior to the time written notice of dissent is required to be received by Pegasus, or, make arrangements for the registered holder to dissent on his, her or its behalf in accordance with the dissent provisions of the BCBCA, as may be modified by the Interim Order, the Final Order and the Arrangement.

Registered Shareholders

Every registered holder of Pegasus Shares at the close of business on March 20, 2026 is entitled to receive notice of, and to vote such Pegasus Shares in advance of the Meeting.

Registered shareholders who are unable to attend the Meeting in person and who wish to ensure that their Pegasus Shares will be voted at the Meeting are requested to complete, sign and deliver the enclosed form of Proxy to Endeavor Trust Corporation at Suite 702, 777 Hornby Street, Vancouver, BC V6Z 1S4. In order to be valid and acted upon at the Meeting, forms of Proxy must be returned to the aforesaid address not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment(s) thereof. Further instructions with respect to the voting by proxy are provided in the form of Proxy and in the Information Circular accompanying this Notice.

Non-Registered Shareholders

Shareholders may beneficially own Pegasus Shares that are registered in the name of a broker, another intermediary or an agent of that broker or intermediary ("**Non-Registered Shareholders**"). Without specific instructions, intermediaries are prohibited from voting shares for their clients. **If you are a Non-Registered Shareholder, it is vital that the voting instruction form provided to you by Endeavor, your broker, intermediary or its agent is returned according to the instructions provided in or with such form, sufficiently in advance of the deadline specified, to ensure that they are able to provide voting instructions on your behalf.**

DATED at Vancouver, British Columbia, this March 27, 2026.

BY ORDER OF THE BOARD OF DIRECTORS
OF PEGASUS RESOURCES INC.

(Signed) *"Christian Timmins"*
Christian Timmins
President, Chief Executive Officer and Director

PRELIMINARY MATTERS

CAPITALIZED TERMS USED HEREIN ARE DEFINED IN THE "GLOSSARY OF TERMS" OR ELSEWHERE IN THE INFORMATION CIRCULAR.

Forward-Looking Information

Certain statements herein and in the Schedules attached, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities laws (collectively, "**forward-looking statements**"). These forward-looking statements relate to future events or future performance, and are based on expectations, estimates and projections as at the date of this Information Circular. In particular, this Information Circular contains forward-looking statements with respect to: completion of the Arrangement; the completion of the Urano Arrangement; the completion of non-brokered private placement of Aero Subscription Receipts (as defined herein), the exploration and development of each of the Company's and Aero's mineral properties; requirements for additional capital and future financing; estimation of mineral resources; estimated future working capital, funds available, uses of funds, future capital expenditures, exploration expenditures and other expenses for specific operations, statements regarding future exploration programs, liquidity and effects on accounting policy changes, risks and uncertainties relating to each of the Company and Aero being in the exploration stage, the possibility that future exploration and development results will not be consistent with each of the Company's and Aero's expectations, accidents, equipment breakdowns, title matters and surface access, labour disputes, the potential for delays in exploration activities, the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, failure to obtain adequate financing on a timely basis and other risks and uncertainties.

All statements in this document and the Schedules attached, other than statements of historical fact, that address events or developments that each of the Company and Aero expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential," "interprets," and similar expressions, or that events or conditions "will," "would," "may," "could," or "should" occur.

In addition, forward-looking information are based on various assumptions including, without limitation, receipt of regulatory, Court and Shareholder approvals; successful completion of the Arrangement and transactions related to both; the expectations and beliefs of management, the assumed long-term price of commodities, that each of the Company and Aero will receive required permits, that each of the Company and Aero can access financing, appropriate equipment and sufficient labour and that the political environment within jurisdictions where mineral projects are located will support the development of environmentally safe mining projects, as well as those factors discussed under "Risk Factors to the Arrangement" herein and under "Risk Factors" in Schedule "F". Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Although the Company and Aero believe the respective expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements.

Readers should also refer to each of the Company's most recent quarterly and annual Management Discussion and Analysis and Aero's for additional information on risks and uncertainties relating to forward looking statements and information. Although we have attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Also, many of the factors are beyond the control of the Company or Aero. Accordingly, readers should not place undue reliance on forward-looking statements or information. Each of the Company and Aero undertakes no obligation to reissue or update any forward-looking statements or information as a result of new information or events after the date hereof except as may be required by law. All forward-looking statements and information herein are qualified by this cautionary statement.

Information For United States Shareholders

The Aero Shares issued to Shareholders pursuant to the Arrangement have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any applicable securities

laws of any state of the United States. The Pegasus Shares and Aero Shares issued to Shareholders pursuant to the Arrangement will, for the purposes of U.S. securities laws, be considered to be issued pursuant to the Arrangement and will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof on the basis of the approval of the Court and pursuant to similar exemptions from applicable securities laws of any state of the United States.

Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more bona fide outstanding securities, claims or property interests from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, and the court finds the terms and conditions of the exchange to be fair both procedurally and substantively after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement, including the issuance of the Aero Shares to Shareholders will be considered. The Court issued the Interim Order on March 26, 2026 and, subject to the approval of the Arrangement by the Shareholders, the final hearing in respect of the Arrangement will be held on May 4, 2026, at 9:45 a.m. (Vancouver Time) at the courthouse, at 800 Smithe Street, Vancouver, British Columbia, Canada. All Shareholders are entitled to appear and be heard at this hearing. The Final Order will constitute a basis for the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the issuance of the Aero Shares to be issued and distributed to Shareholders pursuant to the Arrangement. Prior to the hearing on the Final Order, the Court will be informed of this effect of the Final Order.

The Company is a corporation existing under the laws of the Province of British Columbia, Canada and is a "foreign private issuer" within the meaning of Rule 3b-4 under the United States Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"). The solicitation of proxies is not subject to the requirements of Section 14(a) of the U.S. Exchange Act. The solicitation of proxies and transactions contemplated herein is being made by a Canadian issuer in accordance with Canadian corporate and securities laws. Shareholders should be aware that requirements under such Canadian laws may differ from requirements under United States corporate and securities laws relating to United States corporations. The financial statements included in this Information Circular have been prepared in accordance with IFRS Accounting Standards and are subject to Canadian auditing and auditor independence standards and thus may not be comparable to financial statements of United States corporations.

The enforcement by Shareholders of civil liabilities under the United States securities laws may be affected adversely by the fact that the parties to the Arrangement are organized under the laws of jurisdictions other than the United States, that some of the officers and directors of the Company and Aero are residents of countries other than the United States, that some of the experts named in this Information Circular are residents of countries other than the United States, and that a portion of the assets of the Company and Aero and such other persons may be located outside the United States. As a result, it may be difficult or impossible for Shareholders in the United States to effect service of process within the United States upon the Company or Aero, their respective officers or directors or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States. In addition, U.S. Shareholders should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States.

Shareholders should be aware that the acquisition of securities pursuant to the Arrangement described herein may have tax consequences in both the United States and Canada. Shareholders subject to United States tax jurisdiction are advised to consult their tax advisors to determine the particular tax consequences to them of the Arrangement.

The Aero Shares issued to Shareholders pursuant to the Arrangement will be freely transferable under U.S. federal securities laws (subject to any applicable Canadian holding periods), except by persons who are "affiliates" (or were affiliates within 90 days prior to the Effective Time) of Aero, as applicable. See "*Securities Laws Considerations - United States Federal Securities Laws*".

THE SECURITIES TO BE ISSUED PURSUANT TO THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE PASSED ON THE ADEQUACY OR ACCURACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

Technical Information

All scientific and technical information relating to the I-70 Uranium Project provided in Schedule "F" was prepared and approved by Jacob Anderson, CPG, MAusIMM, Resource Geologist with Dahrouge Geological Consulting USA Ltd., who is independent of both Pegasus and Aero and is a "Qualified Person" as defined under NI 43-101 and Regulation S-K 1300.

Cautionary Note to United States Investors regarding Technical Information

Information concerning the mineral properties of Pegasus and Aero has been prepared in accordance with the requirements of Canadian securities laws, which differ in material respects from the requirements of U.S. securities laws applicable to U.S. companies subject to the reporting and disclosure requirements of the SEC under subpart 1300 of Regulation S-K ("**S-K 1300**") under the U.S. Exchange Act. Any mineral reserves and mineral resources reported by Pegasus and Aero in accordance with NI 43-101 may not qualify as such under or differ from those prepared in accordance with S-K 1300. Accordingly, information included or incorporated by reference herein concerning descriptions of mineralization and estimates of mineral reserves and resources under Canadian standards may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements of S-K 1300.

Information Regarding Aero, the Murmac Project, the Strike Project or Third Parties

The information contained in this Information Circular relating to Aero, the Murmac Project, the Strike Project, the I-70 Uranium Project or third parties is based upon information supplied by Aero, Urano or such other third parties, as applicable. As such, the Company assumes no responsibility for the accuracy or completeness of such information or any omission on the part of Aero or such third parties to respectively disclose facts or events that may affect the accuracy or completeness of any such information.

SUMMARY

The following is a summary of the principal features of the Arrangement and certain other matters and should be read together with the more detailed information and financial data and statements contained elsewhere in the Information Circular, including the Schedules hereto. This Summary is qualified in its entirety by the more detailed information appearing or referred to elsewhere herein. Unless otherwise indicated, all currency amounts are stated in Canadian dollars. The information contained herein is as of March 20**, 2026 unless otherwise indicated.**

Capitalized terms used in this summary are defined in the "Glossary of Terms" or elsewhere in the Information Circular.

THE MEETING

Time, Date, and Place of the Meeting

The Meeting will be held on Wednesday, April 29, 2026 at Suite 1200, 750 West Pender Street, Vancouver, BC V6C 2T8 at 11:00 a.m. (Vancouver time).

The Record Date for the Purposes of the Meeting

The date set by the Company for determining Shareholders entitled to receive notice of and vote at the Meeting is March 20, 2026.

Purpose of the Meeting

At the Meeting, Shareholders will be asked to consider certain annual general meeting matters and, if deemed advisable, to pass a special resolution set out in Schedule "A" to this Information Circular, being the Arrangement Resolution, approving the Arrangement under the BCBCA. The Arrangement involves, among other things, the acquisition of all outstanding Pegasus Shares by Aero, the issuance to Shareholders of one hundred thirty-three thousandth (0.133) of an Aero Share for every one (1) Pegasus Share held.

Votes Required for the Arrangement Resolution

The Arrangement Resolution requires the affirmative vote of not less than two-thirds (66⅔%) of the votes of Shareholders voting in person or by proxy at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON - THE ARRANGEMENT

Parties to the Arrangement

Pegasus is a reporting issuer in British Columbia and Alberta and the Pegasus Shares are listed on the TSXV under the symbol "PEGA" and on the OTCID under the symbol "SLTFF". The registered and records office of Pegasus is Suite 2501, 550 Burrard Street, Vancouver, BC V6C 2B5 and its head office is Suite 700, 838 West Hastings Street, Vancouver, BC, V6C 0A6. Pegasus is a Canadian uranium exploration company focused on advancing high-potential projects in the United States. The Company's flagship asset, the Jupiter Uranium Project in Utah, is a drill-ready property positioned for resource expansion.

Aero is a reporting issuer in all of the provinces of Canada and the Aero Shares are listed on the TSXV under the symbol "AERO", the Frankfurt Stock Exchange under the symbol "UU3" and on the OTC Pink under the symbol "AAUGF. The registered and records office of Aero is at Suite 401 - 353 Water Street, Vancouver, BC V6M 1A8 and its head office is at Suite 918, 1030 West Georgia Street Vancouver, BC V6E 2Y3. Aero following its successful merger with Kraken Energy Corp., has established a robust portfolio of uranium assets in North America. The company controls a district-scale land package in Saskatchewan's Athabasca Basin, including its Strike and

Murmac projects, which collectively host dozens of shallow drill-ready targets on the north rim of the Athabasca Basin.

On completion of the Arrangement, Aero Shares will continue trading on the TSXV and the Pegasus Shares are expected to be de-listed from the TSXV as soon as practicable following the Effective Date. Pegasus will also seek to be deemed to have ceased to be a reporting issuer (or the equivalent) under the securities legislation of each of British Columbia and Alberta.

See "*Information Concerning Aero Post-Arrangement*".

Background to the Arrangement

On February 27, 2026, Pegasus and Aero entered into a definitive arrangement agreement, whereby Aero would acquire all of the outstanding Pegasus Shares in exchange for the Consideration Shares.

Upon closing of the Arrangement, Aero will acquire, through its acquisition of Pegasus, Pegasus' interest in the Energy Sands Project, the Jupiter Project and the Cedar Mountain Project.

Concurrently with the Arrangement Agreement, Aero entered into another arrangement agreement with Urano pursuant to which Aero has agreed to acquire all of the issued and outstanding common shares of Urano. The completion of each of the Arrangement and Urano Arrangement is not contingent on the completion of the other.

See *"Particulars of Matters to be Acted Upon – the Arrangement – Background to the Arrangement".*

Reasons for the Arrangement and Recommendation of the Pegasus Board

The Pegasus Board, after careful consideration, has unanimously determined that the Arrangement is fair, from a financial point of view, to the Shareholders and that the Arrangement is in the best interests of Pegasus. Accordingly, the Pegasus Board unanimously recommends that Pegasus Shareholders vote **IN FAVOUR** of the Arrangement Resolution.

In the course of its evaluation of the Arrangement, the Pegasus Board consulted with Pegasus' senior management and the companies advisors, and considered a number of factors, including, among others, the following:

(i) **Creation of a Leading North American Pure Uranium Platform:** Upon completion of the Arrangement and the Urano Arrangement, Aero will hold 15 past-producing Uranium mines on 25 mineral exploration properties covering 25,099 acres in the United States along with Athabasca Basin high-grade potential with joint ventures at the Strike and Murmac properties.

(ii) **Expanded Historical Resource Base for Accelerated Growth:** The Arrangement and the Urano Arrangement will consolidate significant historical mineral resources with growth potential, positioning Aero post-Arrangement to advance exploration and potential development towards production.

(iii) **Positioned for American Domestic Demand:** Quality assets in mining friendly jurisdictions to capitalize on domestic demand with uranium now classified as a critical mineral by the United States Geological Survey.

(iv) **Enhanced Capital Markets Profile and Liquidity:** The combined assets of post-Arrangement Aero are expected to increase visibility and investor interest with greater market exposure.

(v) **Uranium-Focused Team**: Combines management, technical and capital markets experts with proven uranium discovery records and extensive Canadian-U.S. capital markets experience, fortifying the merged entity's development prospects.

(vi) **Full Board Support**: The Arrangement has been unanimously approved by the board of directors of Aero and Pegasus. The Pegasus Board has unanimously recommended that the Shareholders vote in favour of the Arrangement.

(vii) **Shareholder Support**: All of the directors and executive officers of Pegasus, representing in aggregate approximately 4% of the issued and outstanding Pegasus Shares, respectively, have agreed to vote in favour of the Arrangement.

In the course of its deliberations, the Pegasus Board also identified and considered a variety of risks and potentially negative factors, including, but not limited to:

- existing operational risks related to Pegasus' business;
- the potential impact of the non-completion of the Arrangement on the market price of the Pegasus Shares;
- there can be no certainty that all conditions precedent to the Arrangement will be satisfied;
- risks related to the non-completion of the Arrangement or the termination of the Arrangement Agreement;
- the potential tax consequences of the Arrangement; and
- the costs of the Arrangement.

The Pegasus Board also considered the risks set out under "*The Arrangement – Arrangement Risk Factors*".

The foregoing discussion summarizes the material information and factors considered by the Pegasus Board in its consideration of the Arrangement. The Pegasus Board collectively reached its unanimous decision with respect to the Arrangement in consideration of the factors described above and other factors that each member of the Pegasus Board felt were appropriate. In view of the wide variety of factors and the quality and amount of information considered, the Pegasus Board did not find it useful or practicable to, and did not make specific assessments of, quantify, rank or otherwise assign relative weights to the specific factors considered in reaching its determination. Individual members of the Pegasus Board may have given different weight to different factors.

Fairness Opinion

The Financial Advisor has provided a written Fairness Opinion in respect of the fairness, from a financial point of view, of the Arrangement to Pegasus Shareholders. The Financial Advisor concluded that, as of March 7, 2026, and subject to assumptions, limitations and qualifications contained therein, the Arrangement is fair, from a financial point of view, to Pegasus Shareholders. See "*The Arrangement – Fairness Opinion*" and the full text of the Fairness Opinion which is attached as Schedule "H" hereto.

Support Agreements

The Supporting Shareholders, comprised of certain director and officers of Pegasus, representing approximately 4% of the Pegasus Shares, have entered into Support Agreements with Aero pursuant to which they have agreed, subject to the terms of such agreements, to vote in favour of the Arrangement. The obligations of the Supporting Shareholders under the Support Agreements will terminate upon termination of the Arrangement Agreement in accordance with its terms.

Summary of Steps of the Arrangement

Commencing at the Effective Time, the following will occur and will be deemed to occur sequentially in the following order without any further authorization, act or formality:

(a) each Pegasus Share held by a Dissenting Shareholder shall be deemed to be transferred by such

Dissenting Shareholder (free and clear of any liens) to Pegasus for cancellation and Pegasus shall pay each such Dissenting Shareholder an amount for such Pegasus Shares in accordance with the terms of the Plan of Arrangement and the Dissent Procedures. Each such Dissenting Shareholder shall cease then to be the holder of such Pegasus Shares and shall cease to have any rights as a holder of such Pegasus Shares, other than the right to be paid the amount determined in accordance with the Plan of Arrangement; and

(b) each Pegasus Share outstanding shall be transferred (free and clear of all liens) by the holders thereof to Aero and Aero shall be obligated to issue and deliver to each such holder the Consideration.

Treatment of Pegasus Warrants

Each Pegasus Warrant outstanding immediately prior to the Effective Time, shall as of the Effective Time be adjusted in accordance with its terms and shall entitle the Pegasus Warrantholder upon exercise of such Pegasus Warrant following the Effective Time, on the same terms and conditions as were applicable to such Pegasus Warrant before the Effective Time, to purchase from Aero for the same aggregate consideration, the number of Aero Shares (rounded down to the nearest whole number) equal to the number of Pegasus Shares subject to such Pegasus Warrant immediately prior to the Effective Time multiplied by the Exchange Ratio in accordance with such adjustment.

Treatment of Pegasus Options

Pursuant to the terms of the Pegasus Option Plan, each Pegasus Option outstanding immediately prior to the Effective Time, whether vested or unvested, shall be deemed to be exchanged for a Replacement Option to purchase from Aero, the number of Aero Shares (rounded down to the nearest whole number) equal to: (A) the number of Pegasus Shares subject to such Pegasus Option immediately prior to the Effective Time multiplied by (B) the Exchange Ratio, at an exercise price per Pegasus Share (rounded up to the nearest whole cent) otherwise purchasable pursuant to such Pegasus Option immediately prior to the Effective Time divided by the Exchange Ratio, exercisable until the original expiry date of said Pegasus Option. All terms and conditions of the Replacement Options, including the terms, conditions, and manner of exercising shall be governed by the Aero Option Plan, and any document evidencing a Pegasus Option shall thereafter evidence and be deemed to evidence such Replacement Option.

The foregoing is a summary only and is qualified by the detailed provisions of the Plan of Arrangement attached to this Information Circular as Schedule “B”.

The certificates or DRS Advice representing the Aero Shares to be distributed to Pegasus Shareholders pursuant to the Arrangement will be issued in the manner described in this Information Circular. See “*The Arrangement - Procedure and Terms for Exchange of Pegasus Shares*” for additional information.

Conditions to the Arrangement Becoming Effective

Under the Arrangement Agreement, completion of the Arrangement is subject to a number of specified conditions being satisfied or waived as of the Effective Time.

Mutual Conditions

The respective obligations of Pegasus and Aero to complete the Arrangement are subject to the fulfilment of the following conditions on or before the Effective Date:

(a) the Arrangement Resolution shall have been approved by the Shareholders at the Meeting in accordance with the Interim Order and applicable Laws;

(b) the Interim Order and the Final Order shall each have been obtained in form and terms satisfactory to each of the Company and Aero, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to either party, each acting reasonably, on appeal or otherwise;

(c) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Arrangement Agreement and there shall be no proceeding (other than an appeal made in connection with the Arrangement), of a judicial or administrative nature or otherwise, in progress or threatened that relates to or results from the transactions contemplated by the Arrangement Agreement that would, if successful, result in an order or ruling that would preclude completion of the transactions contemplated by this Agreement in accordance with the terms hereof or would otherwise be inconsistent with the Regulatory Approvals (as defined in the Arrangement Agreement) which have been obtained;

(d) the Arrangement Agreement shall not have been terminated pursuant to its terms;

(e) the Company shall have received any required approval of the TSXV to the transactions contemplated herein;

(f) Aero shall have received any required approval of the TSXV to the transactions contemplated herein;

(g) the Consideration Shares and the Aero Shares issuable upon exercise of the Replacement Options and the Pegasus Warrants from time to time shall have been authorized for listing on the TSXV, subject to official notice of issuance;

(h) the issuance of the Consideration Shares and Replacement Options and the adjustment of the Pegasus Warrants will be exempt from the registration requirements of the U.S. Securities Act pursuant to the Section 3(a)(10) exemption and the registration or qualification requirements of all applicable U.S. state securities laws, and the issuance of the Consideration Shares and the Replacement Options will be exempt from the prospectus requirements of applicable Securities Laws in each of the Provinces of Canada in which holders of the Company Shares are resident; and such securities will not be subject to hold periods under the Securities Laws of Canada or the United States except as may be imposed by Rule 144 under the U.S. Securities Act with respect to "affiliates" or except as disclosed in the Circular or except by reason of the existence of any controlling interest in the Purchaser pursuant to the Securities Laws of any applicable jurisdiction; and

(i) all other consents, waivers, permits, orders and approvals of any Governmental Entity, and the expiry of any waiting periods, in connection with, or required to permit the consummation of the Arrangement and the other transactions contemplated herein, the failure of which to obtain or the non expiry of which would have a Pegasus Material Adverse Effect or Aero Material Adverse Effect shall have been obtained or received on terms that will not have a Pegasus Material Adverse Effect or Aero Material Adverse Effect.

Conditions Precedent to Pegasus' Obligations under the Arrangement Agreement

The obligation of Pegasus to complete the Arrangement is subject to the fulfilment of the following additional conditions on or before the Effective Date:

(a) all covenants of Aero under the Arrangement Agreement to be performed on or before the Effective Date shall have been duly performed by Aero in all material respects, and Aero shall have provided Pegasus with a certificate certifying such performance as of the Effective Date;

(b) the representations and warranties of Aero set forth in the Arrangement Agreement shall be true and correct in all respects, without regard to any materiality or Aero Material Adverse Effect qualifications contained in them, of the Effective Time with the same force and effect as if made on and as of the Effective Date (except: (i) to the extent such representations and warranties speak as of an earlier date, the accuracy of which shall be determined as of such earlier date; or (ii) as affected by the Arrangement), except where any failure or failures of any such representations and warranties to be so true and correct in all respects would not, individually or in the aggregate, result in a Aero Material Adverse Effect, and Aero shall have provided Pegasus with a certificate certifying such accuracy as of the Effective Date;

(c) between the date of the Arrangement Agreement up to and including the Effective Date, there shall not have occurred any fact, development, circumstance, change, matter, action, condition, event or occurrence that, individually or in the aggregate with all other facts, circumstances, changes, matters, actions, conditions, events or occurrences, has had, or would reasonably be expected to have a Aero Material Adverse Effect;

(d) the board of directors of Aero shall have adopted all necessary resolutions, and all other necessary corporate action shall have been taken by Aero to permit the consummation of the Arrangement and the issue of Consideration Shares, Replacement Options and the Aero Shares issuable upon the exercise of the Replacement Options and the Pegasus Warrants from time to time;

(e) Aero shall have taken all necessary action to reconstitute the Aero Board as at the Effective Time;

(f) Aero shall have made adequate provision for the payment of all outstanding employment obligations as at the Effective Time;

(g) there shall not be pending or threatened any suit, action or proceeding by any Governmental Entity, in each case that has a reasonable likelihood of success with respect to the Arrangement or which otherwise is reasonably likely to constitute a Pegasus Material Adverse Effect or Aero Material Adverse Effect; and

(h) all consents, approvals, authorizations and waivers of any persons (other than Governmental Entities) which are required or necessary for the completion of the Arrangement and other transactions contemplated hereby (including all consents, approvals, authorizations and waivers required under Aero's material agreements) shall have been obtained or received on terms which are acceptable to Pegasus, acting reasonably.

Conditions Precedent to Aero's Obligations under the Arrangement Agreement

The obligation of Aero to complete the Arrangement is subject to the fulfilment of the following additional conditions on or before the Effective Date:

(a) all covenants of Pegasus under the Arrangement Agreement to be performed on or before the Effective Date shall have been duly performed by Pegasus in all material respects, and Pegasus shall have provided Aero with a certificate certifying such performance as of the Effective Date;

(b) the representations and warranties of Pegasus set forth in the Arrangement Agreement shall be true and correct in all respects, without regard to any materiality or Pegasus Material Adverse Effect qualifications contained in them, of the Effective Time with the same force and effect as if made on and as of the Effective Date (except (i) to the extent such representations and warranties speak as of an earlier date, the accuracy of which shall be determined as of such earlier date, or (ii) as affected by the Arrangement), except where any failure or failures of any such representations and warranties to be so true and correct in all respects would not, individually or in the aggregate, result in a Pegasus Material Adverse Effect, and Pegasus shall have provided Aero with a certificate certifying such accuracy as of the Effective Date;

(c) between the date of the Arrangement Agreement up to and including the Effective Date, there shall not have occurred any fact, development, circumstance, change, matter, action, condition, event or occurrence that, individually or in the aggregate with all other facts, circumstances, changes, matters, actions, conditions, events or occurrences, has had, or would reasonably be expected to have a Pegasus Material Adverse Effect;

(d) Pegasus shall have entered into an amended and restated agreement in connection with the Jupiter Project upon terms reasonably acceptable to Aero;

(e) the Pegasus Board shall have adopted all necessary resolutions, and all other necessary corporate action shall have been taken by the Company to permit the consummation of the Arrangement;

(f) the aggregate number of Pegasus Shares held, directly or indirectly, by Shareholders who have properly exercised Dissent Rights in connection with the Arrangement shall not exceed five percent (5%) of the outstanding Pegasus Shares; and

(g) there having been no default or event of default under the Bridge Loan;

(h) there shall not be pending or threatened any suit, action or proceeding by any Governmental Entity, in each case that has a reasonable likelihood of success with respect to the Arrangement, prohibits Aero's acquisition of Pegasus or which otherwise is reasonably likely to constitute a Pegasus Material Adverse Effect or Aero Material Adverse Effect;

(i) all consents, approvals, authorizations and waivers of any persons (other than Governmental Entities) which are required or necessary for the completion of the Arrangement and other transactions contemplated hereby (including all consents, approvals, authorizations and waivers required under Pegasus' material agreements) shall have been obtained or received on terms which are acceptable to Aero, acting reasonably;

(j) Pegasus being a reporting issuer in the Provinces of British Columbia and Alberta and not being on the list of reporting issuers in default; and

(k) Pegasus shall have provided to Aero, on or before the Effective Date, written resignations effective as of the Effective Time, from all directors and officers of Pegasus and Pegasus Resources (USA) Inc. as Aero may request, acting reasonably.

The Arrangement Agreement contains customary representations and warranties for transactions of this nature in respect of certain matters on the parts of Pegasus and Aero

Non-Solicitation and Right to Match

Under the Arrangement Agreement, Pegasus agreed that:

(a) the Company shall not, directly or indirectly:

(i) make, initiate, solicit, encourage or otherwise facilitate (including by way of furnishing information or according access to information or any site visit) any inquiries or proposals or offers that constitute an Acquisition Proposal or that could reasonably be expected to lead to an Acquisition Proposal;

(ii) participate in any discussions or negotiations with, furnish information to, or otherwise cooperate in any way with, any Person (other than Aero and its affiliates) regarding an Acquisition Proposal or that could reasonably be expected to lead to an Acquisition Proposal;

(iii) effect any Change of Recommendation; or

(iv) accept, enter into, or propose publicly to accept or enter into, any letter of intent, memorandum of understanding, term sheet, agreement in principle, agreement, arrangement or understanding related to any Acquisition Proposal.

(b) The Company shall, and shall cause its Representatives to, immediately cease and cause to be terminated any solicitation, encouragement, discussion or negotiation with any Person (other than Aero) conducted heretofore by the Company or any of its representatives with respect to, or which may reasonably be expected to lead to, an Acquisition Proposal. To the extent it has not already done so, the Company shall discontinue or deny access to all parties other than Aero to any and all data rooms which may have been opened. To the extent that it is entitled to do so, the Company shall immediately request the return or destruction of all confidential non-public information provided to any third parties (other than Aero) who have entered into a confidentiality agreement

with the Company relating to a potential Acquisition Proposal, shall use all reasonable efforts to ensure that such requests are honoured and shall immediately advise Aero orally and in writing of any responses or action (actual or threatened) by any recipient of such request which could hinder, prevent, delay or otherwise adversely affect the completion of the Arrangement

(c) The Company shall:

(i) not release any Persons from, or terminate, amend, modify, waive or fail to enforce on a timely basis any obligation of any other Person under any confidentiality or standstill agreement or amend any such agreement or other conditions included in any agreement between the Company and a third party entered into prior to the date hereof;

(ii) promptly and diligently enforce all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants of any other Person in any letter of intent, memorandum of understanding, term sheet, agreement in principle, agreement, arrangement or understanding that it has entered into prior to the date hereof or enters into after the date hereof; and

(iii) not accept or enter into any letter of intent, memorandum of understanding, term sheet, agreement in principle, agreement, arrangement or understanding requiring the Company to abandon, terminate or fail to consummate the Arrangement or providing for the payment of any break, termination or other fees or expenses to any Person proposing an Acquisition Proposal in the event that the Company completes the transactions contemplated hereby or any other transaction with the Purchaser or any of its affiliates.

(d) The Company shall not become a party to any letter of intent, memorandum of understanding, term sheet, agreement in principle, agreement, arrangement or understanding with any Person subsequent to the date hereof that limits or prohibits the Company from providing Aero and with any information required to be given to them by the Company under the Arrangement Agreement.

If the Pegasus Board determines that an Acquisition Proposal is a Superior Proposal, it must give Aero five Business Days' notice of the Pegasus Board's intention to accept, approve, recommend or enter into an agreement in respect of, such Acquisition Proposal.

During the three Business Day-period before Pegasus can accept, approve, recommend or enter into an agreement in respect of, an Acquisition Proposal, Aero shall have the right to offer in writing to amend the terms of the Arrangement Agreement as it relates to the Arrangement.

The Pegasus Board will review any written offer by Aero to amend the terms of the Arrangement Agreement as it relates to the Arrangement in good faith in order to determine whether such written offer of Aero would be at least equivalent to the Superior Proposal. In that event, Pegasus will enter into an amended agreement with Aero reflecting the written amendment proposed by Aero.

No amounts are required to be paid to Aero as a termination payment in the event that Pegasus enters into an agreement to effect a Superior Proposal or the Pegasus Board makes a Change in Recommendation in respect of the Arrangement.

Amendment of the Arrangement Agreement and Plan of Arrangement

The Arrangement Agreement and the Plan of Arrangement may be amended by mutual written agreement of the parties at any time before or after the holding of the Meeting but not later than the Effective Time, and any such amendment may, subject to the Interim Order and Final Order and applicable Laws:

(a) change the time for performance of any of the obligations or acts of the parties;

(b) waive or modify any inaccuracies or modify any representation, term or provision contained in the Arrangement Agreement or in any document delivered pursuant thereto; or

(c) waive compliance with or modify any of the conditions precedent or any of the covenants or modify performance of any of the obligations of the parties.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Time by mutual written consent of Aero and Pegasus if:

(a) the Effective Time has not occurred on or prior to May 31, 2026 unless the failure of the Effective Time to occur by such date is the result of the breach of the obligations of the party terminating the Arrangement Agreement or any representation or warranty of such party being untrue or incorrect;

(b) there shall be enacted an applicable Law (or applicable Law amended) or there shall be an injunction or court order that makes consummation of the Arrangement illegal or otherwise prohibits Pegasus or Aero from consummating the Arrangement; or

(c) the required vote for the for the Arrangement Resolution is not obtained at the Meeting or any adjournment thereof.

Aero may terminate the Arrangement Agreement at any time prior to the Effective Time if:

(a) Pegasus shall have effected a Change of Recommendation (as defined in the Arrangement Agreement);

(b) Pegasus breaches the non-solicitation covenants included in the Arrangement Agreement; or

(c) a Pegasus Material Adverse Effect has occurred.

Pegasus may terminate the Arrangement Agreement at any time prior to the Effective Time if:

(a) Pegasus proposes to accept a Superior Proposal; or

(b) an Aero Material Adverse Effect has occurred.

The above is a summary of the provisions of the Arrangement Agreement. Shareholders should refer to the full text of the Arrangement Agreement, which is filed on SEDAR+.

Bridge Loan

In connection with the Arrangement Agreement, Aero advanced to Pegasus a secured bridge loan in the principal amount of $80,000 (the "**Bridge Loan**"). Pursuant to the Bridge Loan, the outstanding principal balance owing to Aero bears interest at the annual rate of 7.5% and is secured by a share pledge agreement. The Bridge Loan will become repayable within ten business days of the termination of the Arrangement Agreement or the completion of the Arrangement.

Depositary

Computershare Investor Services Inc. is proposed to be appointed to act as Depositary with respect to the Arrangement. The Depositary will receive deposits of share certificates and DRS Advices representing Pegasus Shares and accompanying Letters of Transmittal at the offices specified in the Letters of Transmittal and will be

responsible for distributing the Consideration under the Arrangement, subject to applicable tax withholding obligations.

Exchange of Certificates

At the time of sending the Information Circular to each Shareholder, Pegasus is also sending to each Registered Shareholder a Letter of Transmittal with respect to exchanging their Pegasus Shares for Aero Shares pursuant to the Arrangement.

If the Arrangement becomes effective, upon delivery to the Depositary of a duly completed and validly executed Letter of Transmittal, together with the applicable Pegasus Share Certificate(s): or DRS Advice(s) (i) a Registered Shareholder (other than a Dissenting Shareholder) shall be entitled to receive by providing each Pegasus Share formerly held by such Shareholder certificates evidencing the Aero Shares registered in such holder's name, that such Shareholder has the right to receive therefor in accordance with the Plan of Arrangement; and (ii) any Pegasus Share Certificate or DRS Advice so surrendered shall forthwith be cancelled. Promptly after receipt of a properly submitted Letter of Transmittal and following the Effective Time, the Depositary shall cause the Aero Shares to be sent to the Shareholder at the mailing address designated by such holder in the Letter of Transmittal. Until so surrendered, each outstanding Pegasus Share Certificate or DRS Advice shall be deemed from and after the Effective Time, for all purposes, to evidence only the right to receive upon such surrender the Aero Shares for each Pegasus Share represented by such Pegasus Share Certificate or DRS Advice pursuant to the Arrangement.

Neither Aero nor Pegasus shall be liable to any Shareholder or former Shareholder for the Aero Shares attributable to Pegasus Shares, or for any other cash amounts, delivered to any public official pursuant to any applicable abandoned property, escheat or similar Law.

Fractional Securities

No fractional Aero Shares shall be distributed to Pegasus Shareholders pursuant to the Arrangement.

The number of Aero Shares to be distributed to Pegasus Shareholders under the Arrangement shall be rounded down to the nearest whole Aero Share, as the case may be, in the event that a Shareholder is entitled to a fractional share.

Cancellation of Rights after Six Years

To the extent that a Shareholder shall not have complied with the provisions of the Plan of Arrangement on or before the sixth anniversary of the Effective Date, any Pegasus Share held by such Shareholder shall cease to represent a claim by, or interest of any kind or nature, against or in Pegasus or Aero and the Aero Shares that such Shareholder was otherwise entitled to receive shall be automatically cancelled.

Accordingly, persons who tender Pegasus Share Certificates after the sixth anniversary of the Effective Date will not receive Aero Shares, will not own any interest in Pegasus or Aero, and will not be paid any compensation.

Rights of Dissent

Registered Shareholders are entitled to exercise Dissent Rights in connection with the Arrangement and to be paid the fair value of their Pegasus Shares subject to strict compliance with Sections 237 to 247 of the BCBCA, as may be modified by the Interim Order, Final Order and the Plan of Arrangement. See "Rights of Dissenting Shareholders". It is a condition of the Arrangement that holders of no more than 5% of the outstanding Pegasus Shares shall have validly exercised the Dissent Rights.

Income Tax Considerations

Shareholders and holders of Pegasus Options and Pegasus Warrants should consult their own tax advisors about the applicable Canadian federal, provincial, local and foreign tax consequences of the Arrangement.

Summary of Canadian Federal Income Tax Considerations

See *"Canadian Federal Income Tax Considerations".*

United States Federal Income Tax

This Information Circular does not contain a discussion of the U.S. federal income tax consequences of the Arrangement to Shareholders subject to United States tax jurisdiction. U.S. Holders of Pegasus Shares should consult their own tax advisors with respect to the U.S. federal income tax consequences of the Arrangement, including the holding of shares in a "passive foreign investment company" and regarding the U.S. tax implications to them of the Arrangement.

Court Approval and Effective Date

The Arrangement requires approval by the Court under Section 288 of the BCBCA. Prior to the mailing of the Information Circular, Pegasus obtained the Interim Order, which provides for the calling and holding of the Pegasus Meeting, the Dissent Rights and other procedural matters. A copy of the Interim Order is attached as Schedule "C" to this Information Circular. Subject to the terms of the Arrangement Agreement and the approval of the Arrangement Resolution by Shareholders at the Meeting, Pegasus will make application to the Court for the Final Order at 800 Smithe Street, Vancouver, British Columbia, Canada on May 4, 2026 at 9:45 a.m. (Vancouver time) or as soon thereafter as reasonably practicable.

At the hearing, the Court will consider, among other things, the fairness of the terms and conditions of the Arrangement to those to whom securities will be issued. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. Prior to the hearing on the Final Order, the Court will be informed that the Final Order will also constitute the basis for the exemption provided by Section 3(a)(10) of the U.S. Securities Act with respect to the securities to be issued and distributed to Shareholders pursuant to the Arrangement. It is presently contemplated that the Effective Date will be on or about May 5, 2026 . See "*The Arrangement - Court Approval of the Arrangement and Effective Date*".

Securities Law Information for Canadian Securityholders

The distribution of securities pursuant to the Arrangement Agreement will be exempt from the prospectus requirements of Securities Laws. With certain exceptions, the Aero Shares may generally be resold in each of the provinces and territories of Canada, provided the trade is not a "control distribution" as defined in the applicable legislation, no unusual effort is made to prepare the market or create a demand for those securities, no extraordinary commission or consideration is paid in respect of that sale and, if the selling securityholder is an insider or officer of Aero, the insider or officer has no reasonable grounds to believe that Aero is in default of Securities Laws. Shareholders are urged to consult their legal advisors to determine the applicability to them of the resale restrictions prescribed by applicable Securities Laws.

See "*Securities Laws Considerations - Canadian Securities Laws*".

Securities Law Information for United States Securityholders

The securities to be issued and distributed in connection with the Arrangement to Shareholders are not required to be, and will not be, registered under the U.S. Securities Act. Such securities will be issued and distributed in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof. The Aero Shares to be issued pursuant to the Arrangement will not be subject to resale restrictions under the U.S. Securities Act except with respect to U.S. holders of the Aero Shares who are "affiliates" of Aero or who were "affiliates" of Aero within 90 days prior to the Effective Date of the Arrangement.

See "*Securities Laws Considerations - U.S. Securities Laws*".

Risk Factors

There are risks associated with the completion of the Arrangement. These risks include:

(i) Pegasus may not obtain the necessary approvals for completion of the Arrangement on satisfactory terms or at all;

(ii) the Arrangement Agreement may be terminated in certain circumstances;

(iii) that market reaction to the Arrangement and the future trading price of the Aero Shares cannot be predicted;

(iv) that the Arrangement may give rise to significant adverse tax consequences to Shareholders and as such, each Shareholder is urged to consult his or her own tax advisor; and

(v) uncertainty as to whether the Arrangement will have a positive impact on the business or share price of Aero.

An investment in a natural resource company involves a significant degree of risk. The Aero Shares to be distributed to the Shareholders pursuant to the Arrangement are subject to a number of risks.

Shareholders should review carefully the risk factors set forth under "*The Arrangement - Arrangement Risk Factors*" in this Information Circular, including under "*The Arrangement - Risk Factors - Risks Associated with Aero*" in this Information Circular.

GLOSSARY OF TERMS

In this Information Circular, the following capitalized terms shall have the following meanings, in addition to other terms defined elsewhere in this Information Circular.

"**Aero Board**"	means the board of directors of Aero.
"**Aero Disclosure Letter**"	means the letter of disclosure dated as of the date of the Arrangement Agreement that has been provided by Aero to Pegasus contemporaneously with the execution of the Arrangement Agreement.
"**Aero**"	means Aero Energy Limited.
"Aero Material Adverse Effect" or "**Pegasus Material Adverse Effect**"	when used in connection with Aero or Pegasus, means any change, effect, development, event or occurrence that has an effect that is, or would reasonably be expected to cause, a "Material Adverse Change" with respect to such party and its subsidiaries taken as a whole. "Material Adverse Change" when used in connection with Aero or Pegasus, means: (a) any change, effect, development, event or occurrence that, individually or in the aggregate, prevents, or would reasonably be expected to prevent such party from performing its material obligations under the Arrangement Agreement in any material respect prior to May 31, 2026 (or such other date determined in writing by the parties); or (b) any change, effect, development, event or occurrence that, individually or in the aggregate, is, or would reasonably be expected to be, material and adverse to the business, properties, assets, operations, condition, affairs, liabilities (contingent or otherwise), obligations (whether absolute, conditional or otherwise) or prospects of such party and its subsidiaries taken as a whole, other than any change, effect, development, event or occurrence: (i) relating to the announcement of the execution of the Arrangement Agreement or relating to the Arrangement or other transactions contemplated by the Arrangement Agreement; (ii) relating to a decrease in the market price of such party's common shares on any stock exchange (it being understood that, if the cause or causes of any decrease, in and of itself or themselves, is otherwise a Material Adverse Change, then such decrease may be taken into consideration when determining whether a Material Adverse Change has occurred); (iii) relating to Canadian or global economic, financial, banking, securities or currency exchange market conditions in general; (iv) affecting the worldwide gold mining industry in general, including any changes in the market price of gold; (v) relating to any effect resulting from an act of terrorism or any outbreak of hostilities or war (or any escalation or worsening thereof); (vi) relating to any natural disaster; (vii) relating to any generally applicable change in applicable Laws (other than orders, judgments or decrees against a party or a subsidiary of a party) or in IFRS, in each case, to the extent necessary; (viii) relating to any epidemic, pandemic or outbreak of illness (including COVID-19 and any variations/mutations thereof) or other health crisis or public health event, or the worsening of any of the foregoing; or (ix) relating to any action taken by Aero or Pegasus at the request of the other or that is required or contemplated by the Arrangement Agreement; provided, however, that the effect referred to in clauses (iii) through (vii) above does not primarily relate to (or have the effect of primarily relating to) the party and the party's subsidiaries, taken as a whole, or

	disproportionately adversely affect the party and the party's subsidiaries, taken as a whole, compared with other companies of a similar size operating in the industry and jurisdiction in which that party and that party's subsidiaries operate.
"**Aero Mineral Rights**"	means all of the Aero's mineral interests, rights and ancillary rights (including any fee land, patented and unpatented mining claims and mill sites, deeds, concessions, exploration licences, exploitation licences, prospecting or other permits, approvals, authorizations or consents, mining leases, mining rights, easements and leases, surface use and access rights, and water rights).
"**Aero Option Plan**"	means Aero's amended and restated stock option plan.
"Aero Options"	means options to purchase Aero Shares issued pursuant to the Aero Option Plan or any predecessor option plan.
"**Aero Shares**"	means the common shares in the authorized share structure of Aero.
"Aero Warrants"	means the warrants issued by Aero to acquire Aero Shares.
"**Acquisition Proposal**"	means other than the transactions contemplated by the Arrangement Agreement and the Plan of Arrangement, any offer, proposal or inquiry from any person or joint actors (other than Aero) prior to the date of termination of the Arrangement Agreement pursuant to Article 7 relating to: (a) any direct or indirect acquisition or purchase of 20% or more of the assets or of 20% or more of any voting or equity securities of the Company; (b) any take-over bid or exchange offer that, if consummated, would result in such person or joint actors beneficially owning, in the aggregate, 20% or more of any class of voting or equity securities of the Company; (c) a plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving the Company; or (d) any proposal or offer to, or public announcement of any intention to do, any of the forgoing from any person or joint actors (other than Aero).
"**Arrangement**"	means the arrangement to be effected under the provisions of Section 288 of the BCBCA, on the terms and conditions set forth in the Plan of Arrangement, subject to any amendment or supplement thereto made in accordance with the Arrangement Agreement, the Plan of Arrangement or at the direction of the Court.
"**Arrangement Agreement**"	means the arrangement agreement dated February 27, 2026 between the Company and Aero including the schedules thereto, as supplemented or amended from time to time.
"**Arrangement Resolution**"	means the special resolution under the BCBCA approving the Arrangement to be voted on by Shareholders at the Meeting, the full text of which is set out in Schedule "A" hereto.
"**BCBCA**"	means the *Business Corporations Act* (British Columbia), as amended.
"**Bridge Loan**"	means the secured bridge loan provided by Aero to Pegasus in the amount of $80,000.
"**Broadridge**"	means Broadridge Financial Solutions, Inc.

"**Business Day**"	means any day, other than a Saturday or a Sunday, when Canadian chartered banks are open for business in the City of Vancouver, British Columbia.
"**Change in Recommendation**"	means the Pegasus Board having withdrawn, qualified, amended or modified, or proposed publicly to withdraw, qualify, amend or modify, in a manner adverse to Aero, its approval of the Arrangement or its recommendation that the Shareholders vote in favour of the Arrangement Resolution, including taking a neutral position or no position with respect to an Acquisition Proposal following the public announcement thereof.
"**Company**" or "**Pegasus**"	means Pegasus Resources Inc., a company existing under the BCBCA, and, unless the context requires otherwise or unless otherwise stated, terms such as "we", "our", "us" refer to the Company.
"**Concurrent Financing**"	means, if applicable, one or more financings by Aero to be completed on or prior to the Effective Date and involving the issuance of subscription receipts, common shares, warrants or any combination thereof for aggregate gross proceeds of up to C$6,000,000 (or such higher amount as may be agreed to by Pegasus and Aero), whereby the proceeds, or a portion, of such financing(s), less a portion of the expenses of any underwriters or agents, will be placed into escrow and released immediately prior to, at or immediately after the Effective Time.
"**Consideration**"	means the consideration to be received by the Shareholders pursuant to the Plan of Arrangement as consideration for their Pegasus Shares consisting of one hundred thirty three thousandths (0.133) of a Consideration Share for every one (1) Pegasus Share held.
"**Consideration Shares**"	means the Aero Shares to be issued as consideration for the Pegasus Shares pursuant to the Plan of Arrangement.
"**Corporate Finance Manual**"	means the Corporate Finance Manual of the TSXV, as amended from time to time.
"**Court**"	means the Supreme Court of British Columbia.
"CRA"	means the Canada Revenue Agency.
"**CSE**"	means the Canadian Securities Exchange.
"**Depositary**"	means Computershare Investor Services Inc., being the depositary to be appointed by the Company for the purpose of, among other things, delivering DRS Advice representing the Consideration Shares in connection with the Arrangement.
"**Directors**"	means the directors of the Company.
"**Dissent Notice**"	means the notice of dissent provided by a Dissenting Shareholder in accordance with the BCBCA and as described under the heading "*Dissent Rights*" in this Information Circular.
"**Dissent Procedures**"	means the dissent procedures set out in Sections 237 to 247 of the BCBCA (which is attached as Schedule "G" to this Information Circular Circular), as modified by the Plan of Arrangement, the Interim Order, and any other order of the Court, as described under "Rights of Dissenting Shareholders".

"**Dissent Rights**"	Means the rights of dissent pursuant to and in the manner set forth in Sections 237 - 247 of the BCBCA (as modified by the Plan of Arrangement, the Interim Order and the Final Order) and as described under the heading "*Dissent Rights*" in this Information Circular.
"**Dissenting Shareholders**"	means Shareholders who have properly exercised their rights of dissent pursuant to Article 4 of the Plan of Arrangement and who do not withdraw or be deemed to have withdrawn such exercise of Dissent Rights prior to the Effective Time.
"**Dissent Shares**"	has the meaning given to that term under "*Dissent Rights*".
"**DRS Advice**"	means a Direct Registration System statement or advice issued under the electronic register of the shares of the applicable issuer maintained by its transfer agent and registrar.
"**Effective Date**"	means the date upon which the Arrangement becomes effective as provided in the Plan of Arrangement.
"**Effective Time**"	means 12:01 am (Vancouver time) on the Effective Date or such other time as may be agreed to by the parties to the Arrangement Agreement.
"**Energy Sands Project**"	means Pegasus' fully permitted, 100% owned project comprising approximately 1,500 acres in the San Rafael Uranium District and bordering Urano's I-70 Uranium Project.
"**Exchange Ratio**"	means the ratio of one hundred thirty-three thousandths (0.133) of an Aero Share exchanged for every one (1) Pegasus Share.
"**Fairness Opinion**"	means the written opinion of the Financial Advisor dated March 7, 2026, delivered to the Pegasus Board to the effect that as of the date of such opinion, subject to the assumptions and limitations set out therein, the Arrangement is fair, from a financial point of view, to the Shareholders.
"**Final Order**"	means the final order of the Court approving the Arrangement.
"**Financial Advisor**"	means RwE Growth Partners, Inc., financial advisor to the Pegasus Board.
"**Forooghian**"	means Forooghian + Company Law Corporation, Canadian counsel to Aero.
"**Governmental Entity**"	means: (i) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, minister, ministry, bureau, agency or instrumentality, domestic or foreign; (ii) any stock exchange, including the TSXV and CSE, as applicable; (iii) any subdivision, agent, commission, board or authority of any of the foregoing; or (iv) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, antitrust, foreign investment, expropriation or taxing authority under or for the account of any of the foregoing.
"**I-70 Uranium Project**"	means Urano's 100%-owned uranium project located in Utah.

"**IFRS Accounting Standards**"	means International Financial Reporting Standards as issued by the International Accounting Standards Board.
"**Information Circular**"	means this management information circular of the Company.
"**Interim Order**"	means the interim order of the Court dated March 26, 2026 pursuant to Section 288 of the BCBCA, providing for, among other things, the calling of the Meeting.
"**Intermediary**"	means the intermediary that the Non-Registered Holder deals with, in respect of his, her or their shares, which include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans.
"**Jupiter Uranium Project**"	means the drill-ready, permitted uranium project located approximately 3 km north of the Energy Sands Project and adjacent to Urano's I-70 Uranium Project, in which Pegasus has acquired a 75% interest, with an option to acquire an additional 25% interest.
"**Letter of Transmittal**"	means the letter of transmittal which, when properly completed, executed and forwarded to the Depositary with a certificate and DRS Advices representing Pegasus Shares, will enable the Shareholders to exchange their certificates and DRS Advices representing Pegasus Shares for certificates and DRS Advices representing Aero Shares upon the completion of the Arrangement.
"**Law**" or "**Laws**"	means any and all laws (statutory, common or otherwise), statutes, regulations, statutory rules, regulatory instruments, principles of law, orders, injunctions, judgments, published policies and guidelines (to the extent that they have the force of law), and terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, statutory body or self-regulatory authority, and the term "applicable" with respect to such Laws and in the context that refers to one or more Persons means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities.
"**Management**"	means management of the Company.
"**Meeting**"	means the annual general and special meeting of Shareholders to be held at Suite 1200, 750 West Pender Street, Vancouver, BC V6C 2B5 on Wednesday, April 29, 2026 at 11:00 a.m. (Vancouver time) to consider, among other matters, the Arrangement, and any adjournment or postponement thereof.
"**MI 61-101**"	means Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* of the Canadian Securities Administrators.
"**Morton**"	means Morton Law, LLP, Canadian counsel to Pegasus.
"**NI 43-101**"	means National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators

"**Non-Objecting Beneficial Owners**" or "**NOBOs**"	means Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company.
"**Non-Registered Holders**"	means Shareholders who beneficially own Pegasus Shares that are registered in the name of a broker, another intermediary or an agent of that broker or intermediary.
"**Notice**" or "**this Notice**"	means the Notice of Annual General and Special Meeting of Shareholders accompanying this Information Circular.
"**Notice of Hearing of Petition**"	means the notice of hearing of petition to be filed with the Court in connection with the hearing for the Final Order, in the form attached to the Information Circular as Schedule "D".
"**Objecting Beneficial Owners**" or "**OBOs**"	means those who object to their identity being known to the issuers of the securities which they own.
"**Optionee**" or "**Optionholders**"	means the holders of the Pegasus Options.
"**OTCID**"	means the OTC Markets Group Inc.'s Basic Market platform.
"**OTC Pink**"	means the OTC Markets Group Inc.'s Open Market platform.
"**Pegasus Shares**"	means the common shares in the authorized share structure of Pegasus.
"**Pegasus Board**"	means the board of Directors of the Company.
"**Pegasus Disclosure Letter"**	means the letter of disclosure dated as of the date of the Arrangement Agreement that has been provided by Pegasus to Aero contemporaneously with the execution of the Arrangement Agreement.
"**Pegasus Mineral Rights**"	means all of the mineral interests, rights and ancillary rights (including any fee land, patented and unpatented mining claims and mill sites, deeds, concessions, exploration licences, exploitation licences, prospecting or other permits, approvals, authorizations or consents, mining leases, mining rights, easements and leases, surface use and access rights, and water rights) held by Pegasus and its subsidiaries.
"**Pegasus Option Plan**"	means the Company's stock option plan, as may be amended from time to time.
"**Pegasus Options**"	means the outstanding stock options of Pegasus, exercisable to acquire Pegasus Shares, granted pursuant to the Pegasus Option Plan.
"**Pegasus Share Certificate**"	means a certificate representing Pegasus Shares.
"**Pegasus Subsidiary**"	means the subsidiary of Pegasus being acquired by Aero pursuant to the Arrangement.
"**Pegasus Warrants**"	means the outstanding warrants of Pegasus entitling the Pegasus Warrantholders to purchase Pegasus Shares.
"**Pegasus Warrantholders**"	means the holders of the Pegasus Warrants.
"**Plan of Arrangement**"	means the plan of arrangement that is attached to this Information Circular as Schedule "B", and any amendment or variation thereto.

"**Proxy**"	means the form of proxy accompanying this Information Circular.
"**Record Date**"	means March 20, 2026, being the date set by the Company for determining Shareholders entitled to receive notice of and vote at the Meeting.
"**Registered Shareholder**"	means a holder of record of Pegasus Shares.
"**Registrar**"	means the British Columbia Registrar of Companies appointed under Section 400 of the BCBCA.
"**Replacement Options**"	means the options to purchase Aero Shares upon the deemed exchange for vested and unvested Pegasus Options outstanding immediately prior to the Effective Time.
"**SEC**"	means the United States Securities Exchange Commission.
"**Securities Laws**"	means the Securities Act (British Columbia), the U.S. Securities Act, the U.S. Exchange Act, and all other applicable Canadian provincial and United States federal and state securities Laws.
"**SEDAR+**"	means System for Electronic Document Analysis and Retrieval +.
"**Shareholder Approval**"	means the approval of the Arrangement Resolution by means of a Special Resolution.
"**Shareholders**"	means the holders of the Pegasus Shares.
"**Special Resolution**"	means a resolution passed by a majority of not less than two-thirds (66⅔%) of the votes cast by Shareholders in respect of such resolution at the Meeting.
"**Superior Proposal**"	means an unsolicited *bona fide* written Acquisition Proposal (as defined in the Arrangement Agreement) (provided, however, that for the purposes of this definition, all references to "20%" shall be changed to "100%") made by a third party or parties acting jointly (other than the Purchaser and its affiliates) that did not result from a breach of Section 5.1 of the Arrangement Agreement and which: (a) is not subject to any financing condition and in respect of which any required financing to complete such Acquisition Proposal has been obtained or demonstrated to the satisfaction of the Company Board acting in good faith (after receipt of advice from its financial advisors and outside legal counsel) to be reasonably likely to be obtained without undue delay; (b) is not subject to a due diligence condition and/or access condition; (c) is made available to all Shareholders on the same terms and conditions; and (d) in the good faith determination of the Pegasus Board, after consultation with its financial advisors and outside legal counsel: (i)is reasonably capable of being completed in accordance with its terms and without undue delay relative to the completion of the Arrangement, taking into account, all legal, financial, regulatory and other aspects of such proposal and the person making such proposal; and (ii) would, if consummated and taking into account all of the terms and conditions of such Acquisition Proposal (but not assuming away the risk of non-completion), result in a transaction more favourable to the Company Shareholders from a financial point of view than the Arrangement (including any adjustment to the terms and conditions of the Arrangement proposed by Aero pursuant to Section 5.4 of the Arrangement Agreement); and (e) in the event that the Company does not have the financial resources to pay the Termination Fee (as

	defined in the Arrangement Agreement), the terms of such Acquisition Proposal provide that the person making such Superior Proposal shall advance or otherwise provide the Company the cash required for the Company to pay the Termination Fee and such amount shall be advanced or provided on or before the date such Termination Fee becomes payable.
"**Support Agreements**"	means the shareholder voting and support agreements dated February 24, 2026 and February 27, 2026 made between Aero and the Supporting Shareholders.
"**Supporting Shareholders**"	means each of the Directors and executive officers of Pegasus who are party to the Support Agreements.
"**Tax Act**"	means the *Income Tax Act* (Canada) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.
"**Transfer Agent**"	means Endeavor Trust Corporation.
"**TSXV**"	means the TSX Venture Exchange.
"**U.S. Exchange Act**"	means the United States *Securities Exchange Act of 1934*, as amended, and rules and regulations thereunder.
"**U.S. Holder**"	means a beneficial owner of Pegasus Shares participating in the Arrangement (or exercising Dissent Rights pursuant to the Arrangement) who is, for U.S. federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a corporation, or other entity taxable as a corporation, that is created or organized under the laws of the United States or any state thereof or the District of Columbia; (c) an estate, the income of which is subject to taxation in the United States regardless of its source; or (d) a trust (i) that is subject to the primary supervision of a U.S. court and the control of one or more U.S. persons or (ii) that has an election in effect under applicable U.S. Treasury Regulations to be treated as a United States person.
"**U.S. Person**"	means a "U.S. person", as defined in Regulation S under the U.S. Securities Act.
"**U.S. Securities Act**"	means the United States *Securities Act of 1933*, as amended, and rules and regulations thereunder.
"**Urano**"	means Urano Energy Corp, a company existing under the BCBCA.
"**Urano Arrangement**"	means the arrangement between Urano and Aero to be effected under the provisions of Section 288 of the BCBCA, on the terms and conditions set forth in a plan of arrangement, subject to any amendment or supplement thereto made in accordance with an arrangement agreement between Urano and Aero dated February 27, 2026, the plan of arrangement or at the direction of the Court

"**Urano Share**"	means the common shares in the authorized share structure of Urano.
"Urano Transaction"	means the proposed business combination transaction between Urano and Pegasus pursuant to which Urano would acquire all of the issued and outstanding securities of Pegasus pursuant to the binding letter agreement dated December 1, 2025 between the Company and Urano.

INFORMATION CIRCULAR

(Containing information as at March 20, 2026 unless indicated otherwise)

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation of proxies by the management of Pegasus Resources Inc. for use at the Meeting of the Shareholders to be held on Wednesday, April 29, 2026 and any adjournment thereof at the time and for the purposes set forth in the accompanying Notice. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the Directors, officers and regular employees of the Company at nominal cost. All costs of solicitation by management will be borne by the Company.

The Company is not relying on the "Notice and Access" delivery procedures outlined in National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators ("**NI 54-101**") to distribute copies of proxy-related materials in connection with the Meeting by posting them on a website.

The contents and the sending of this Information Circular have been approved by the Directors.

Appointment of Proxyholder

The individuals named (the "**Management Nominees**") in the accompanying form of proxy (the "**Proxy**") are Directors or officers of the Company. **IF YOU ARE A SHAREHOLDER ENTITLED TO VOTE AT THE MEETING, YOU HAVE THE RIGHT TO APPOINT A PERSON OR COMPANY OTHER THAN EITHER OF THE PERSONS DESIGNATED IN THE PROXY, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT FOR YOU AND ON YOUR BEHALF AT THE MEETING. YOU MAY DO SO EITHER BY STRIKING OUT THE NAMES OF MANAGEMENT NOMINEES AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.** If your common shares are held in physical form (i.e. paper form) and are registered in your name, then you are a Registered Shareholder. However, if, like most shareholders, you keep your common shares in a brokerage account, then you are a Non-Registered Holder. The manner for voting is different for Registered Shareholders and Non-Registered Holders. The instructions below should be read carefully by all shareholders.

Revocation of Proxies

A Shareholder who has given a Proxy may revoke it by an instrument in writing executed by the Shareholder or by his attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the registered office of the Company, at Suite 2501- 550 Burrard Street, Vancouver, BC V6C 2B5, at any time up to and including the last Business Day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or in any other manner provided by law. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by:

- completing, dating and signing the enclosed Proxy and returning it to the Company's transfer agent, Endeavor Trust Corporation by mail or by hand at Suite 702, 777 Hornby Street, Vancouver, BC V6Z 1S4; or

- using the Internet through the website of the Company's transfer agent at www.eproxy.caRegistered Shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy form for the holder's control number and password,

in all cases ensuring that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the time for the Meeting or the adjournment thereof at which the Proxy is to be used.

Information for Non-Registered Holders

Only registered holders of Pegasus Shares or the persons they appoint as their proxyholders are permitted to vote at the Meeting. In many cases, Pegasus Shares beneficially owned by a holder are registered either:

(a) in the name of an Intermediary that the Non-Registered Holder deals with in respect of the shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; OR

(b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (CDS) of which the Intermediary is a participant.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as "**NOBOs**". Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as "**OBOs**".

Pursuant to NI 54-101, the Company has distributed copies of proxy-related materials in connection with this Meeting (including this Information Circular) directly to the NOBOs and indirectly to Non-Registered Holders through the Intermediaries for onward distribution.

Intermediaries that receive the proxy-related materials are required to forward the proxy-related materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries often use service companies to forward the proxy-related materials to Non-Registered Holders.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

The Company will not be paying for Intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of the proxy-related materials and related documents. Accordingly, an OBO will not receive copies of the proxy-related materials and related documents unless the OBO's Intermediary assumes the costs of delivery.

Generally, Non-Registered Holders who have not waived the right to receive proxy-related materials (including OBOs who have made the necessary arrangements with their Intermediary for the payment of delivery and receipt of such proxy-related materials) will be sent a voting instruction form which must be completed, signed and returned by the Non-Registered Holder in accordance with the Intermediary's directions on the voting instruction form. In some cases, such Non-Registered Holders will instead be given a proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of common shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. This form of Proxy does not need to be signed by the Non-Registered Holder but, to be used at the Meeting, needs to be properly completed and deposited with Endeavor as described under "Voting of Proxies" below.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the common shares that they beneficially own. Should a Non-Registered Holder wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form.

Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies, including instructions regarding when and where the voting instruction form or Proxy form is to be delivered.

All references to shareholders in this Information Circular and the accompanying form of Proxy and Notice are to shareholders of record unless specifically stated otherwise.

Voting of Proxies

The Pegasus Shares represented by a properly executed Proxy in favour of persons proposed by management as proxyholders in the accompanying form of Proxy will:

(a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be taken; and

(b) where a choice with respect to any matter to be acted upon has been specified in the form of Proxy, be voted in accordance with the specification made in such Proxy.

ON A POLL SUCH SHARES WILL BE VOTED **IN FAVOUR** OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER.

The enclosed form of Proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. If any amendments or variations to matters identified in the Notice are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of Proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Information Circular, the management of the Company knows of no such amendment, variation or other matter that may be presented to the Meeting.

Voting Securities and Principal Holders of Voting Securities

Authorized Capital:	an unlimited number of common shares without par value
Issued and Outstanding:	39,891,668[(1)] common shares without par value

Note:
(1) As at February 27, 2026 and the date hereof.

Only Shareholders of record at the close of business on March 20, 2026, the Record Date, who either personally attend the Meeting or who have completed and delivered a form of Proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their Pegasus Shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders will have one vote, and on a poll every shareholder present in person or represented by a Proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Pegasus Share registered in that shareholder's name on the list of shareholders as at the Record Date, which is available for inspection during normal business

hours at Endeavor and will be available at the Meeting. **Shareholders represented by proxyholders are not entitled to vote on a show of hands.**

In order to be effective, the Arrangement Resolution to be submitted to Shareholders at the Meeting must be approved by the affirmative vote of not less than two-thirds (66⅔%) of the votes cast thereon by the Shareholders voting together as a single class. In order to be effective, the resolution to approve all other matters must be approved by the affirmative vote of not less than a majority of the votes cast thereon by the Shareholders voting together as a single class.

To the knowledge of the Directors and executive officers of the Company no person or company beneficially owns, directly or indirectly, or exercises control or direction over Pegasus Shares carrying 10% or more of the voting rights attached to all voting securities of the Company as at the date hereof.

Currency

Unless otherwise specified, all dollar amounts presented in this Information Circular are in Canadian currency.

Interest of Certain Persons or Companies in Matters to be Acted Upon

In considering the recommendation of the Pegasus Board with respect to the Arrangement Resolution, Shareholders should be aware that certain members of Pegasus' senior management and the Pegasus Board have certain interests in connection with the Arrangement Resolution that may present them with actual or potential conflicts of interest in connection with the Arrangement Resolution. The Pegasus Board is aware of these interests and considered them along with the other matters described below under "*The Arrangement - Reasons for the Arrangement and Recommendation of the Pegasus Board*".

The executive officers and Directors of Pegasus beneficially own, directly or indirectly, or exercise control or direction over, in the aggregate, 1,566,800 Pegasus Shares, representing approximately 4% of the Pegasus Shares outstanding as of March 20, 2026. All of the Pegasus Shares held by the executive officers and Directors of Pegasus will be treated in the same fashion under the Arrangement as Pegasus Shares held by any other Shareholder.

No member of Management will receive change of control payments under the terms of their respective employment or consulting agreements with Pegasus as a result of the Arrangement.

See further "*Securities Laws Considerations - Canadian Securities Laws - MI 61-101 Protection of Minority Security Holders in Special Transactions*".

Record date and Quorum

The Pegasus Board has fixed the Record Date for the Meeting as the close of business on March 20, 2026. Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Pegasus Shares at the Meeting, except to the extent that any such Shareholder transfers any Pegasus Shares after the Record Date and the transferee of those Pegasus Shares establishes that the transferee owns the Pegasus Shares and demands, not less than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case, only such transferee shall be entitled to vote such Pegasus Shares at the Meeting.

Under the Company's articles, the quorum for the transaction of business at a meeting of Shareholders is one person or more present and being, or representing by proxy, two or more shareholders entitled to attend and vote at the meeting.

Voting Securities and Principal Holders of Voting Securities

On the Record Date, there were 39,891,668 Pegasus Shares issued and outstanding, with each Pegasus Share carrying the right to one vote. Only Shareholders of record at the close of business on the Record Date will be entitled to vote in person or by Proxy at the Meeting or any adjournment or postponement thereof.

To the knowledge of the Pegasus Board, as of the Record Date, there are no Shareholders who beneficially own, directly or indirectly, or exercise control or direction over, Pegasus Shares carrying more than 10% of the voting rights attached to all of the issued and outstanding Pegasus Shares.

PARTICULARS OF MATTERS TO BE ACTED UPON

THE ARRANGEMENT

Approval of Arrangement Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the Arrangement Resolution, substantially in the form set out in Schedule "A" to this Information Circular. To be effective, the Arrangement Resolution must be passed by at least two-thirds (66⅔%) of the votes cast by all Shareholders present in person or represented by proxy at the Meeting.

Principal Steps of the Arrangement

The following description of the Arrangement is qualified in its entirety by reference to the full text of the Arrangement Agreement, a copy of which is available electronically on the SEDAR+ website under "Documents" on the profile of "Pegasus Resources Inc." located at www.sedarplus.ca, and the Plan of Arrangement, which is annexed as Schedule "B" to this Information Circular. Each of these documents should be read carefully in its entirety.

Pursuant to the Arrangement, commencing at the Effective Time, the following will occur and will be deemed to occur sequentially in the following order without any further authorization, act or formality:

(a) each Pegasus Share held by a Dissenting Shareholder shall be deemed to be transferred by such Dissenting Shareholder (free and clear of any liens) to Pegasus for cancellation, and:

  (i) Pegasus shall be obligated to pay each such Dissenting Shareholder the amount determined for such Pegasus Shares;

  (ii) each such Dissenting Shareholder shall cease to be the holder of such Pegasus Shares and shall cease to have any rights as a holder of such Pegasus Shares, other than the right to be paid the amount determined in accordance with the Plan of Arrangement for such Pegasus Shares;

  (iii) each such Dissenting Shareholder's name shall be removed as the holder of such Pegasus Shares from the register of Common shares maintained by or on behalf of Pegasus; and

  (iv) such Pegasus Shares shall be cancelled in the register of Common shares maintained by or on behalf of Pegasus;

(b) each Pegasus Share held by a Shareholder (other than Aero, any subsidiary of Aero or a Dissenting Shareholder) immediately prior to the Effective Time will be, and will be deemed

to be, transferred to Aero (free and clear of any liens), in exchange for the Consideration, and:

(i) holders of such Pegasus Shares will cease to be the holders thereof and to have any rights as holders of such Pegasus Shares other than the right to be paid the Consideration per Pegasus Share in accordance with the Plan of Arrangement;

(ii) such holders' names will be removed from the register of Shareholders maintained by or on behalf of the Company; and

(iii) Aero will be deemed to be the transferee and the legal and beneficial holder of such Pegasus Shares (free and clear of any liens) and the register of Shareholders maintained by or on behalf of the Company will be, and will be deemed to be, revised accordingly.

The exchanges, issuance, delivery and cancellations shall be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto are not completed until after the Effective Time or after the Effective Date.

Background to the Arrangement

Pegasus regularly evaluates business and strategic opportunities with the objective of maximizing shareholder value in a manner consistent with the best interests of Pegasus.

On December 1, 2025, Pegasus and Urano entered into a binding letter agreement in respect of a proposed business combination transaction pursuant to which Urano would acquire all of the issued and outstanding securities of Pegasus (the "**Urano Transaction**").

Following the execution of the letter agreement, the opportunity to pursue a transaction with Aero emerged. As discussions with Aero advanced, Management and the Pegasus Board determined to focus their efforts on evaluating and negotiating the proposed Arrangement with Aero.

On February 7, 2026, Pegasus and Aero entered into a confidentiality agreement to facilitate the exchange of non-public information in connection with the Arrangement.

Following execution of the confidentiality agreement, management of Aero and Pegasus engaged in a series of discussions regarding the Arrangement, including the proposed structure, consideration, timing and other key commercial terms initially advanced by Aero. Pegasus engaged Morton to advise on the Arrangement, including structuring considerations and negotiation of principal terms, and Aero engaged Forooghian as its legal counsel.

During the month of February 2026, the parties conducted technical, legal, financial and commercial due diligence with respect to one another and their respective assets and businesses. This process included, among other things, a review of technical data, title and permitting matters, financial information, material contracts and corporate records. Based on the results of such due diligence, which were considered satisfactory by each of the parties, Pegasus and Aero proceeded to negotiate the terms of the Arrangement Agreement. The parties engaged in negotiations regarding key commercial and legal terms of the Arrangement Agreement, including consideration, structure, conditions and deal protections.

Management and the Pegasus Board engaged in ongoing discussions with each other and with their advisors throughout this period in connection with the evaluation, negotiation and development of the Arrangement.

On February 17, 2026, Pegasus, Urano and Morton entered into a concurrent representation letter pursuant to which the parties agreed to have Morton represent both Pegasus and Urano with respect to two proposed

business combination transactions between each of Urano and Pegasus on the one hand, with Aero Energy Limited on the other hand. Each transaction was agreed to be able to close without the other also closing and accordingly the transactions would be connected only by common acquirer and certain common disclosures and procedures.

On February 27, 2026, the Pegasus Board met to consider the proposed Arrangement. At this meeting, Management and Morton reviewed with the Pegasus Board the background to the Arrangement, the principal terms and conditions of the Arrangement Agreement and the Plan of Arrangement, the results of the due diligence process and the strategic rationale for the Arrangement. The Pegasus Board also considered the risks associated with the Arrangement, the current and prospective financial condition of Pegasus, and the potential alternatives available to Pegasus, including continuing as a standalone entity and pursuing other strategic transactions, including the Urano Transaction. The Pegasus Board with draft copies of the Arrangement Agreement, the Plan of Arrangement and the form of Support Agreement to be entered into by the Supporting Shareholders in favour of Aero.

Following these discussions, the Pegasus Board unanimously determined that the Arrangement is in the best interests of Pegasus and is fair, from a financial point of view, to the Shareholders, and approved the entering into of the Arrangement Agreement and the transactions contemplated thereby. The Pegasus Board also resolved to recommend that the Shareholders vote in favour of the Arrangement.

On February 27, 2026, concurrently with the approval of the Arrangement and the execution of the Arrangement Agreement, the letter agreement in respect of the Urano Transaction was terminated. On the same date, Pegasus and Aero entered into the Arrangement Agreement and Aero entered into support agreements with the Supporting Shareholders. The execution of the Arrangement Agreement was announced by joint press release prior to the opening of trading on March 2, 2026.

Concurrently with the Arrangement Agreement, Aero entered into another arrangement agreement with Urano pursuant to which Aero has agreed to acquire all of the issued and outstanding common shares of Urano. The completion of each of the Arrangement and Urano Arrangement is not contingent on the completion of the other.

In March 2026, Pegasus engaged the Financial Advisor to provide a written fairness opinion to the effect that as of the date of such opinion, subject to the assumptions and limitations set out therein, the Arrangement is fair, from a financial point of view, to the Shareholders.

Upon closing of the Arrangement, Aero will acquire, through its acquisition of Pegasus, Pegasus' interest in the Energy Sands Project and Jupiter Uranium Project.

Reasons for the Arrangement and Recommendation of the Pegasus Board

The Pegasus Board, after careful consideration, has unanimously determined that the Arrangement is fair, from a financial point of view, to Shareholders and that the Arrangement is in the best interest of Pegasus. Accordingly, the Pegasus Board unanimously recommends that Shareholders vote IN FAVOUR of the Arrangement Resolution.

In the course of its evaluation of the Arrangement, the Pegasus Board consulted with Pegasus' senior management, Pegasus' legal counsel and the Financial Advisor, reviewed and considered a number of factors, including, among others, the following:

(i) **Creation of a Leading North American Pure Uranium Platform:** Upon completion of the Arrangement and the Urano Arrangement, Aero will hold 15 past-producing Uranium mines on 25 mineral exploration properties covering 25,099 acres in the United States along with Athabasca Basin high-grade potential with joint ventures at the Strike and Murmac properties.

(ii) **Expanded Historical Resource Base for Accelerated Growth:** The Arrangement and the Urano Arrangement will consolidate significant historical mineral resources with growth potential, positioning Aero post-Arrangement to advance exploration and potential development towards production.

(iii) **Positioned for American Domestic Demand:** Quality assets in mining friendly jurisdictions to capitalize on domestic demand with uranium now classified as a critical mineral by the United States Geological Survey.

(iv) **Enhanced Capital Markets Profile and Liquidity:** The combined assets of post-Arrangement Aero are expected to increase visibility and investor interest with greater market exposure.

(v) **Uranium-Focused Team**: Combines management, technical and capital markets experts with proven uranium discovery records and extensive Canadian-U.S. capital markets experience, fortifying the merged entity's development prospects.

(vi) **Full Board Support**: The Arrangement has been unanimously approved by the board of directors of Aero and Pegasus, as applicable. The Pegasus Board has unanimously recommended that the Shareholders vote in favour of the Arrangement.

(vii) **Shareholder Support**: All of the directors and executive officers of Pegasus, representing in aggregate approximately 4% of the issued and outstanding Pegasus Shares have agreed to vote in favour of the Arrangement.

In the course of its deliberations, the Pegasus Board also identified and considered a variety of risks and potentially negative factors, including, but not limited to:

- existing operational risks related to Pegasus' business;
- the potential impact of the non-completion of the Arrangement on the market price of the Pegasus Shares;
- there can be no certainty that all conditions precedent to the Arrangement will be satisfied;
- risks related to the non-completion of the Arrangement or the termination of the Arrangement Agreement;
- the potential tax consequences of the Arrangement; and
- the costs of the Arrangement.

The Pegasus Board also considered the risks set out under "*The Arrangement - Arrangement Risk Factors*".

The foregoing discussion summarizes the material information and factors considered by the Pegasus Board in its consideration of the Arrangement. The Pegasus Board collectively reached its unanimous decision with respect to the Arrangement in consideration of the factors described above and other factors that each member of the Pegasus Board felt were appropriate. In view of the wide variety of factors and the quality and amount of information considered, the Pegasus Board did not find it useful or practicable to, and did not make specific assessments of, quantify, rank or otherwise assign relative weights to the specific factors considered in reaching its determination. Individual members of the Pegasus Board may have given different weight to different factors.

Fairness Opinion

In March 2026, Pegasus retained the Financial Advisor to act as its financial advisor in connection with the proposed Arrangement. As part of the engagement, Pegasus requested that the Financial Advisor evaluate the fairness, from a financial point of view, to the Shareholders, of the terms of the Arrangement. On March 7, 2026, the Financial Advisor delivered a written opinion to the Pegasus Board to the effect that, as of March 7, 2026, and based on and subject to various assumptions, matters considered and limitations described in the Fairness Opinion, the Arrangement was fair, from a financial point of view, to such Shareholders.

The full text of the Fairness Opinion describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken by the Financial Advisor. The Fairness Opinion is attached as Schedule "H" hereto and is incorporated into this Information Circular by reference. Shareholders are encouraged to read the Fairness Opinion carefully in its entirety. The Financial Advisor's opinion is directed only to the fairness, from a financial point of view, of the Arrangement to the Shareholders. The Fairness Opinion does not address the relative merits of the Arrangement or any related transaction as compared to other business strategies or transactions that might be available to Pegasus or the underlying business decision of Pegasus to effect the Arrangement or any related transaction. The Fairness Opinion does not constitute a recommendation to any Shareholder as to how such Shareholder should vote or act with respect to any matter relating to the Arrangement.

The Financial Advisor's opinion and financial analyses were only some of the many factors considered by the Pegasus Board in its evaluation of the Arrangement and should not be viewed as determinative of the views of the Pegasus Board with respect to the Arrangement.

The terms of the Financial Advisor's engagement provide that the Financial Advisor is to be paid a fixed professional fee for its services, including the delivery of the Fairness Opinion. In addition, the Financial Advisor is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by Pegasus in certain circumstances. The fee established for the Fairness Opinion is not contingent upon the opinions presented or the successful completion of the Arrangement.

Pegasus selected the Financial Advisor in connection with the Arrangement because it is a recognized firm with substantial experience in similar transactions in the resource sector. The Financial Advisor and its officers have prepared numerous valuations and fairness opinions and have participated in a significant number of transactions involving private and publicly-traded companies.

Effect of the Arrangement

Upon completion of the Arrangement:

1. Pegasus will be a Subsidiary of Aero; and

2. Shareholders, other than Dissenting Shareholders, will receive for every one (1) Pegasus Share held, one hundred thirty-three thousandths (0.133) of an Aero Share.

The full particulars of the above are contained in the Plan of Arrangement, a copy of which is attached as Schedule "B" to this Information Circular.

Bridge Loan

In connection with the Arrangement Agreement, Aero advanced to Pegasus a secured bridge loan in the principal amount of $80,000 (the "**Bridge Loan**"). Pursuant to the Bridge Loan, the outstanding principal balance owing to Aero bears interest at the annual rate of 7.5% and is secured by a share pledge

agreement. The Bridge Loan will become repayable within ten business days of the termination of the Arrangement Agreement or the completion of the Arrangement.

Support Agreements

Aero has obtained the Support Agreements from each of the Supporting Shareholders pursuant to which, subject to the terms thereof, they have irrevocably agreed to vote their Pegasus Shares in favour of the Arrangement unless the Arrangement Agreement is terminated. The Pegasus Shares held by the Supporting Shareholders represent approximately 4% of the issued and outstanding Pegasus Shares, as of the Record Date, calculated on a non-diluted basis.

The obligations of the Supporting Shareholders under the Support Agreements will terminate, among other cases, upon termination of the Arrangement Agreement in accordance with its terms.

Treatment of Pegasus Warrants

Each Pegasus Warrant outstanding immediately prior to the Effective Time, shall as of the Effective Time be adjusted in accordance with its terms and shall entitle the Pegasus Warrantholder upon exercise of such Pegasus Warrant following the Effective Time, on the same terms and conditions as were applicable to such Pegasus Warrant before the Effective Time to purchase from Aero for the same aggregate consideration, the number of Aero Shares (rounded down to the nearest whole number) equal to the number of Pegasus Shares subject to such Pegasus Warrant immediately prior to the Effective Time multiplied by the Exchange Ratio in accordance with such adjustment.

Treatment of Pegasus Options

Pursuant to the terms of the Pegasus Option Plan, each Pegasus Option outstanding immediately prior to the Effective Time, whether vested or unvested, shall be deemed to be exchanged for a Replacement Option to purchase from Aero, the number of Aero Shares (rounded down to the nearest whole number) equal to: (A) the number of Pegasus Shares subject to such Pegasus Option immediately prior to the Effective Time multiplied by (B) the Exchange Ratio, at an exercise price per Pegasus Share (rounded up to the nearest whole cent) otherwise purchasable pursuant to such Pegasus Option immediately prior to the Effective Time divided by the Exchange Ratio, exercisable until the original expiry date of said Pegasus Option. All terms and conditions of the Replacement Options, including the terms, conditions, and manner of exercising shall be governed by the Aero Option Plan, and any document evidencing a Pegasus Option shall thereafter evidence and be deemed to evidence such Replacement Option.

Procedure and Terms for Exchange of Pegasus Shares

The Depositary will be retained as the depositary for the Arrangement. At the time of sending the Information Circular to each Shareholder, Pegasus is also sending to each registered Shareholder a Letter of Transmittal with respect to transferring their Pegasus Shares to Aero and receiving the Consideration Shares pursuant to the Arrangement.

If the Arrangement becomes effective, upon delivery to the Depositary of a duly completed and validly executed Letter of Transmittal, together with the applicable Pegasus Share Certificate(s) or DRS Advice(s): (i) a registered Shareholder (other than a Dissenting Shareholder) shall be entitled to receive by providing each Pegasus Share formerly held by such registered Shareholder certificates or DRS Advices evidencing the Aero Shares registered in such holder's name that such registered Shareholder has the right to receive therefor in accordance with the Plan of Arrangement; and (ii) any Pegasus Share Certificate or DRS Advice so surrendered shall forthwith be cancelled. As soon as practicable and in any event within three business days after receipt of a properly submitted Letter of Transmittal and following the Effective Time, the Depositary shall cause the Consideration Share(s) to be sent to the Shareholder at the mailing address designated by such holder in the Letter of Transmittal. Until so surrendered, each outstanding Pegasus Share Certificate or DRS Advice shall be deemed from and after the Effective Time, for all purposes, to

evidence only the right to receive upon such surrender the Consideration Share(s) for each Pegasus Share represented by such certificate or DRS Advice pursuant to the Arrangement.

To the extent that a Shareholder has not complied with the provisions of the Arrangement on or before the day that is six years less one day from the Effective Date, any Pegasus Share held by such Shareholder shall cease to represent a claim by, or interest of any kind or nature, against or in Pegasus, Aero and the Consideration Share(s) that such Shareholder was otherwise entitled to receive shall be automatically cancelled.

If Pegasus gives written notice to the Depositary that the Arrangement has not been completed, the Depositary will arrange, as soon as practicable after receipt of such written notice, for the return of deposited Pegasus Share Certificate(s) or DRS Advice(s) for the Pegasus Shares to the depositor of such Pegasus Share Certificate(s) or DRS Advice(s).

Pegasus and Aero will be responsible for reporting, remitting, filing and issuing tax slips, summaries and reports for all tax processing arising from the Arrangement unless specifically delegated to the Depositary. The Depositary will process only such tax matters as have been specifically delegated to it pursuant to the Depositary Agreement or as may be subsequently agreed to by the parties.

Treatment of Fractional Securities

No fractional Aero Shares will be issued to Shareholders in connection with the Arrangement. The number of Aero Shares to be issued to Shareholders will be rounded down to the nearest whole Aero Share in the event that any Shareholder is otherwise entitled to a fractional share representing less than a whole Aero Share or Pegasus Share without any compensation for such.

Court Approval of the Arrangement and Effective Date

The Arrangement requires approval by the Court under Section 288 of the BCBCA. Prior to the mailing of this Information Circular, Pegasus obtained the Interim Order, which provides for the calling and holding of the Meeting, the Dissent Rights and other procedural matters. A copy of the Interim Order is attached as Schedule "C" to this Information Circular.

Subject to the terms of the Arrangement Agreement and the approval of the Arrangement Resolution by Shareholders at the Meeting, the hearing in respect of the Final Order is currently scheduled to take place at 800 Smithe Street, Vancouver, British Columbia on May 4, 2026 at 9:45 a.m. (Vancouver time) or as soon thereafter as reasonably practicable. Any Shareholder, Director, auditor or other interested party with leave of the Court who wishes to appear, or to be represented, and to present evidence or arguments at the hearing must file and deliver by 4:00 p.m. on April 29, 2026, a response to petition ("**Response to Petition**") and any evidence or material they intend to present to the Court as set out in the Interim Order. At the hearing, the Court will consider, among other things, the fairness of the terms and conditions of the Arrangement to those to whom securities will be issued. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. The Final Order is required for the Arrangement to become effective, and prior to the hearing on the Final Order, the Court will be informed that the Final Order will also constitute the basis for the exemption provided by Section 3(a)(10) of the U.S. Securities Act with respect to the securities to be issued to Shareholders and to the holders of Pegasus Options and Pegasus Warrants pursuant to the Arrangement. It is presently contemplated that the Effective Date will be on or about May 5, 2026. In the event that the hearing is adjourned, subject to further order of the Court, only those persons having previously filed and delivered a Response to Petition will be given notice of the adjournment. A copy of the proposed Notice of Hearing of Petition is attached as Schedule "D" to this Information Circular.

Arrangement Risk Factors

The following risk factors should be considered by Shareholders in evaluating whether or not to approve the Arrangement Resolution. These risk factors should be considered in conjunction with the other information included in this Information Circular, including all documents incorporated by referenced herein. The following list of risk factors is not an exhaustive list of risk factors that may be relevant. Other risk factors not enumerated below and in documents incorporated by reference herein may materially affect Pegasus, Aero, or the Arrangement.

Risks associated with the Arrangement

Existing Operational Risk

If the Arrangement is not completed, Pegasus will continue to face all of the existing operational and financial risks set out below under "*Arrangement - Arrangement Risk Factors - Risks associated with Pegasus*".

Impact on the price of Pegasus Shares and future business operations

If the Arrangement is not completed there may be a negative impact on the price of the Pegasus Shares and Pegasus' future business and operations to the extent that the current trading price of Pegasus Shares reflects an assumption that the Arrangement will be completed. The price of the Pegasus Shares may decline if the Arrangement is not completed.

Costs of the Arrangement

There are certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees incurred, that must be paid even if the Arrangement is not completed. There are also opportunity costs associated with the diversion of Management attention away from the conduct of Pegasus' business in the ordinary course.

The Arrangement Agreement may be terminated in certain circumstances

Each of Aero and Pegasus has the right to terminate the Arrangement Agreement and Arrangement in certain circumstances. Accordingly, there is no certainty, nor can Pegasus provide any assurance, that the Arrangement Agreement will not be terminated by either Pegasus or Aero before the completion of the Arrangement. For example, Aero has the right, in certain circumstances, to terminate the Arrangement Agreement if changes occur that, in the aggregate, have a Pegasus Material Adverse Effect. Although a Pegasus Material Adverse Effect excludes certain events that are beyond the control of Pegasus (such as general changes in the global economy or changes that affect the world wide precious metals mining industry generally and which do not primarily relate to or have a disproportionately adverse effect on Pegasus in comparison to other companies of a similar size operating in the precious metals mining industry), there is no assurance that a change having a Pegasus Material Adverse Effect will not occur before the Effective Date, in which case Aero could elect to terminate the Arrangement Agreement and the Arrangement would not proceed.

There can be no certainty that all conditions precedent to the Arrangement will be satisfied

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Pegasus, including receipt of the Final Order. There can be no certainty, nor can Pegasus provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If the Arrangement is not completed, the market price of the Pegasus Shares may decline to the extent that the market price reflects a market assumption that the Arrangement will be completed. If the Arrangement is not completed and the Pegasus Board decides to seek another merger, arrangement or other business combination, there can be no assurance that it will be able to find a party willing to pay an

equivalent or more attractive price than the total consideration to be paid pursuant to the Arrangement. Certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by Pegasus and Aero if the Arrangement is not completed. Pegasus and Aero are each liable for their own costs incurred in connection with the Arrangement if the Arrangement is not completed. See "*The Arrangement - Additional Terms of the Arrangement - Non-Solicitation of Acquisition Proposals and Right to Match*".

Tax consequences of the Arrangement

Pegasus will not be seeking an advance income tax ruling from the CRA or any other applicable tax authority in respect of the Arrangement. The Arrangement may also give rise to other significant adverse tax consequences to Shareholders and each Shareholder is urged to consult his, her or its own tax advisors.

Fluctuation of the Market Price of Aero Shares

The value of the consideration being offered will depend on the future value of Aero Shares. The market value of the Aero Shares may vary significantly from the value as at the date of the announcement of the Arrangement.

There are risks associated with a fixed exchange ratio

The Shareholders (other than Dissenting Shareholders) will receive a fixed number of Aero Shares under the Arrangement rather than Aero Shares with a fixed market value. Because the number of Aero Shares to be received for each Pegasus Share under the Arrangement will not be adjusted to reflect any change in the market value of Aero Shares, the market value of Aero Shares received under the Arrangement may vary significantly from the market value of Aero Shares at the date the Arrangement Agreement was entered into. If the market price of Aero Shares increases or decreases, the value of the Consideration will correspondingly increase or decrease. There can be no assurance that the market price of Aero Shares on the Effective Date will not be lower than the market price of Aero Shares on the date the Arrangement Agreement was executed. In addition, the number of Aero Shares being issued in connection with the Arrangement will not change despite decreases or increases in the market price of Pegasus Shares. Many of the factors that affect the market price of the Aero Shares and the Pegasus Shares are beyond the control of Aero and Pegasus, respectively. These factors include fluctuations in commodity prices, fluctuations in currency exchange rates, changes in the regulatory environment, adverse political developments, prevailing conditions in the capital markets and interest rate fluctuations.

Risks associated with Pegasus

Whether or not the Arrangement is completed, Pegasus will continue to face many of the risk factors that it currently faces with respect to its business and affairs, including the following:

Limited Operating History

Although all persons who will be involved in the management of the Company have had long experience in their respective fields of specialization, Pegasus has a limited operating history upon which prospective investors can evaluate the Company's performance.

Pegasus is subject to substantial environmental requirements which could cause a restriction or suspension of its operations.

The Company is subject to substantial environmental requirements which could cause a restriction or suspension of certain operations. The current and anticipated future operations and exploration activities of the Company on its projects in the United States require permits from various governmental authorities and such operations and exploration activities are and will be governed by Federal, State and local laws and regulations governing various elements of the mining industry including, without limitation, land use,

the protection of the environment, prospecting, development, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, and other matters.

The Company is also subject to changes in legislation affecting its exploration activities which may negatively affect its ability to carry out planned programs. It is the Company's intention to ensure that the environmental impact on areas where it operates is mitigated by restoration and rehabilitation of affected areas. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or other remedial actions.

Pegasus operates in the resource industry, which is highly speculative, and has certain inherent exploration risks which could have a negative effect on its operations.

The exploration and development of mineral deposits involves significant risks which even with careful evaluation, experience and knowledge may not, in some cases, be fully mitigated. The commercial viability of any mineral deposit depends on many factors, not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, foreign exchange controls, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations all have an impact on the economic viability of a mineral deposit. Other potential impacts could include the location of the mineral deposit and if it is found in remote or harsh climates. These unique environments could limit or reduce production possibilities or if conditions are right for potential natural disasters, including but not limited to volcanoes, earthquakes, tornados and other severe weather, could negatively impact facilities, equipment and the safety of its workers dramatically.

Properties Held Under Option

Certain of Pegasus' mineral exploration properties are currently held under option. Pegasus has no ownership interest in these properties until it meets, where applicable, all required property expenditures, cash payments, and common share issuances. If Pegasus is unable to fulfill the requirements of these option agreements, it is likely that it would be considered in default of the agreements and the option agreements could be terminated resulting in the complete loss of all expenditures and required option payments made on the properties to that date.

No Known Mineral Resource or Reserves

Pegasus is in the process of exploring for mineral deposits and has no known mineral resources or reserves and, if found, such mineral resources or resources may not prove to be economic, which would have a negative effect on the Company's operations and valuation. Pegasus has no production of minerals and its properties are all currently at the exploration stage. There is no assurance that a commercially viable mineral deposit exists on any of the Company's properties, and substantial additional work will be required in order to determine the presence of any such deposit. Some areas in which the Company is exploring for minerals have little or no infrastructure including roads, power or water and the costs of conducting exploration in such environments are correspondingly increased.

Laws and Regulations

In certain countries, the ownership of mining rights is limited or is subject to interpretation of various laws including restrictions on foreign ownership of mineral tenures. In the event of such interpretation being found to be different, it could negatively affect the Company's ability to secure or retain ownership of mineral properties.

The Company's mineral exploration is, and any development activities will be, subject to various Ameri can laws governing exploration, development, production, taxes, labour standards and occupational health,

mine safety, environmental protection, toxic substances, land use, water use and other matters. Exploration generally requires one form of permit while development and production operations require additional permits. There can be no assurance that all permits which may be required for future exploration or possible future development will be obtainable at all or on reasonable terms. In addition, future changes in applicable laws or regulations could result in changes in legal requirements or in the terms of existing permits applicable to Pegasus or its properties. This could have a negative effect on Pegasus' exploration activities or its ability to develop its properties.

As Pegasus is presently at the early exploration stage with all of its properties, the disturbance of the environment is limited and the costs of complying with environmental regulations are minimal. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company's operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

Access to Capital

The Company has limited financial resources and no operating cash flow. The Company expects to incur net cash outlays until such time, if ever, as its properties enter into commercial production and generate sufficient revenues to fund continuing operations. The development of mining operations would require the commitment of substantial resources for operating expenses and capital expenditures, which are likely to increase in subsequent years as needed consultants, personnel, materials and equipment associated with advancing exploration, development and commercial production of Pegasus' properties are added.

The amounts and timing of expenditures incurred by the Company will depend on the progress and success of ongoing exploration, the results of consultants' analysis and recommendations, the rate at which operating losses are incurred, the acquisition of additional properties, and other factors, many of which are beyond the Company's control. The sources of financing the Company may use for these purposes include public or private offerings of equity or debt. In addition, the Company may enter into strategic alliances, sell certain of its assets or utilize a combination of all of these alternatives. There can be no assurance that financing will be available on acceptable terms, or at all.

Political and Economic Uncertainties

The Company's property interests and exploration activities are carried out in foreign countries, principally in the United States. Accordingly, the Company's activities are subject to political, economic and other uncertainties, including the risk of expropriation, nationalization, the rights of indigenous peoples and local communities, renegotiation or nullification of existing contracts, mining licenses and permits or other agreements, changes in laws or taxation policies, currency exchange restrictions and fluctuations, changing political conditions and international monetary fluctuations. Future government actions concerning the economy, taxation, or the operation and regulation of nationally important resources and facilities such as mineral resources and mines, could have a significant effect on Urano. Any changes in regulations or shifts in political attitudes are beyond Urano's control and may adversely affect the business of Urano. Exploration may be affected in varying degrees by government regulations with respect to restrictions on foreign ownership of mineral resources, future exploitation and production, price controls, export controls, foreign exchange controls, income and/or mining royalties and taxes, expropriation of property, environmental legislation and mine and/or site safety. No assurances can be given that the plans and operations of Urano will not be adversely affected by future developments in the countries in which the company operates. The Company does not maintain political risk insurance.

Some of the Company's properties are located in countries which have experienced difficult personal security environments where some acts of kidnapping, terrorism and extortion have been reported. The cost of operating in such environments is increased by the need for site and personnel security and support.

Title to Properties

In certain countries, the ownership of mining rights and, in particular, foreign ownership, is limited or is subject to interpretation of various laws. In the event of such interpretation being found to be different, it could negatively affect the Company's ability to retain or secure ownership of mineral properties.

Although the Company believes it has exercised commercially reasonable due diligence with respect to determining title to properties it owns, controls or has the right to acquire by option, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unrecorded agreements or transfers or native land claims and title may be affected by undetected defects. There may be valid challenges to the title of the Company's properties, which, if successful, could impair development and/or operations. In addition, mineral properties may be leased and may be subject to defects in title.

The natural resource industry is highly competitive.

Pegasus competes with other exploration resource companies which have similar operations, and many competitors have operations, financial resources and industry experience greater than those of Pegasus. This may place Pegasus at a disadvantage in acquiring, exploring and developing properties. These other companies could outbid Pegasus for potential projects or produce minerals at lower costs which would have a negative effect on Pegasus' operations.

Conflicts of Interest

Certain of the directors and officers of Pegasus are also directors and/or officers and/or shareholders of other natural resource companies. While Pegasus is engaged in the business of exploring for and, if appropriate, exploiting mineral properties, such associations may give rise to conflicts of interest from time to time. The directors of Pegasus are required by law to act honestly and in good faith with a view to uphold the best interests of the Company and to disclose any interest that they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Pegasus Board, any director in a conflict must disclose his interest and abstain from voting on the matter. In determining whether or not Pegasus will participate in any project or opportunity, the directors will primarily consider the degree of risk to which Pegasus may be exposed and its financial position at the time.

The market for the common shares of Pegasus is subject to volume and price volatility which could negatively affect a Shareholder's ability to buy or sell said shares.

The market for common shares of Pegasus may be highly volatile for reasons both related to Pegasus' performance or events pertaining to the industry (i.e., mineral price fluctuation/high production costs/accidents) as well as factors unrelated to Pegasus or its industry, such as economic recessions and changes to legislation in the countries in which Pegasus operates. In particular, market demand for products incorporating minerals in their manufacture fluctuates from one business cycle to the next, resulting in changes in demand for the mineral and an attendant change in the price for the mineral. The common shares of Pegasus can be expected to be subject to volatility in both price and volume arising from market expectations, announcements and press releases regarding Pegasus' business, and changes in estimates and evaluations by securities analysts or other events or factors. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly small capitalization companies such as the Company, have experienced wide fluctuations that have not necessarily been related to the operations, performances, underlying asset values, or prospects of such companies. For these reasons, the common shares of Pegasus can also be subject to volatility resulting from purely market forces over which Pegasus will have no control. Further, despite the existence of a market for trading the common shares of Pegasus in Canada, the Shareholders may be unable to sell significant quantities of the common shares of Pegasus in the public trading markets without a significant reduction in the price of the common shares.

Information Systems Security Threats

Pegasus' operations depend upon information technology systems which may be subject to disruption, damage or failure from different sources, including, without limitation, installation of malicious software, computer viruses, security breaches, cyber-attacks and defects in design.

Although to date, the Company has not experienced any material losses related to cyber-attacks or other information security breaches, there can be no assurance that Pegasus will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attacks, damage or unauthorized access remain a priority. As the threat landscape is ever-changing, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Climate Change

Pegasus is exposed to physical risks related to climate change including extreme weather events such as floods, longer wet or dry seasons, increased temperatures and drought, increased precipitation and snowfall and wildfires. Such events can temporarily slow or halt operations due to physical damage of assets, shortage of resources and route disruptions that may limit the transportation of materials and personnel. Additionally, regulations and taxes developed to regulate the transition to a low-carbon economy and energy efficiency may result in increased operation costs including environmental monitoring, increased reporting and other costs to comply with such regulations.

Epidemic Diseases Such as COVID-19

The Company's business could be adversely impacted by the effects of epidemic diseases such as COVID-19 which had a significant impact on businesses and people through the restrictions put in place by governments of most countries regarding travel, business operations, social distancing and quarantine orders. Epidemic diseases could adversely impact the Company's ability to raise financing for exploration or operating costs due to uncertain capital markets, country risk factors, supply chain disruptions, increased government regulations and other unanticipated factors, all of which may also negatively impact the Company's business and financial condition.

Geopolitical Risks

Uncertainties resulting from war conflicts such as the Russia-Ukraine and Israel-Palestine conflicts. Although the Company does not have operations in those countries, the global impact of these wars in commodity prices, foreign currency exchange rates, supply chain challenges and increased fuel prices may have adverse impacts on the costs of doing business.

Tariffs and Trade Wars

The United States has recently implemented or threatened to implement extensive tariffs against Canada and has indicated the possibility of imposing similar measures against other nations, leading to retaliatory tariffs or the threat thereof. Additionally, support for protectionism and the increasing anti-globalization sentiment in the United States and other countries has been growing. A prolonged and expansive trade conflict between the United States and various other countries, including Canada, could negatively impact global economic growth and potentially result in significant adverse effects on the Company. The imposition of tariffs may lead to considerable uncertainty in capital markets, along with disruptions to the economy and supply chains and fluctuations in trading market prices. There exists a risk that tariffs could further exacerbate disruptions in capital markets, business opportunities and supply chains, potentially causing significant adverse effects on the Company.

Risks associated with Aero

An investment in Aero Shares involves a high degree of risk due to the nature of Aero's business and the volatility of metal prices, capital markets and the world economy. For a discussion of such risk factors, see the risks described under "*Risk Factors*" in the section "*Information Concerning Aero post-Arrangement*" attached as Schedule "F" to this Information Circular, in Aero's Management's Discussion and Analysis for the six months ended October 31, 2025 attached as Exhibit "B" of Schedule "E" hereto, and as well as the other information described in this Information Circular and the other documents incorporated by reference herein.

Effective Date and Conditions of the Arrangement

If the Arrangement Resolution is approved, the Final Order is obtained approving the Arrangement, every requirement of the BCBCA relating to the Arrangement has been complied with and all other conditions disclosed under "*The Arrangement - Effective Date and Conditions of the Arrangement - Conditions to the Arrangement Becoming Effective*" are met or waived, the Arrangement will become effective. Pegasus presently expects that the Effective Date will be on or about May 5, 2026.

Conditions to the Arrangement Becoming Effective

Under the Arrangement Agreement, completion of the Arrangement is subject to a number of specified conditions being satisfied or waived as of the Effective Time.

Mutual Conditions

The respective obligations of Pegasus and Aero to complete the Arrangement are subject to the fulfilment of the following conditions on or before the Effective Date:

(a) the Arrangement Resolution shall have been approved by the Shareholders at the Meeting in accordance with the Interim Order and applicable Laws;

(b) the Interim Order and the Final Order shall each have been obtained in form and terms satisfactory to each of the Company and Aero, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to either party, acting reasonably, on appeal or otherwise;

(c) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Arrangement Agreement and there shall be no proceeding (other than an appeal made in connection with the Arrangement), of a judicial or administrative nature or otherwise, in progress or threatened that relates to or results from the transactions contemplated by the Arrangement Agreement that would, if successful, result in an order or ruling that would preclude completion of the transactions contemplated by this Agreement in accordance with the terms hereof or would otherwise be inconsistent with the Regulatory Approvals (as defined in the Arrangement Agreement) which have been obtained;

(d) the Arrangement Agreement shall not have been terminated pursuant to its terms;

(e) the Company shall have received any required approval of the TSXV to the transactions contemplated herein;

(f) Aero shall have received any required approval of the TSXV to the transactions contemplated herein;

(g) the Consideration Shares and the Aero Shares issuable upon exercise of the Replacement Options and the Pegasus Warrants from time to time shall have been authorized for listing on the TSXV, subject to official notice of issuance;

(h) the issuance of the Consideration Shares and Replacement Options will be exempt from the registration requirements of the U.S. Securities Act pursuant to the Section 3(a)(10) Exemption and the registration or qualification requirements of all applicable U.S. state securities laws, and the issuance of the Consideration Shares and the Replacement Options will be exempt from the prospectus requirements of applicable Securities Laws in each of the Provinces of Canada in which holders of the Company Shares are resident; and such securities will not be subject to hold periods under the Securities Laws of Canada or the United States except as may be imposed by Rule 144 under the U.S. Securities Act with respect to "affiliates" or except as disclosed in the Circular or except by reason of the existence of any controlling interest in the Purchaser pursuant to the Securities Laws of any applicable jurisdiction; and

(i) all other consents, waivers, permits, orders and approvals of any Governmental Entity, and the expiry of any waiting periods, in connection with, or required to permit the consummation of the Arrangement and the other transactions contemplated herein, the failure of which to obtain or the non expiry of which would have a Pegasus Material Adverse Effect or Aero Material Adverse Effect shall have been obtained or received on terms that will not have a Pegasus Material Adverse Effect or Aero Material Adverse Effect.

Conditions Precedent to Pegasus' Obligations under the Arrangement Agreement

The obligation of Pegasus to complete the Arrangement is subject to the fulfilment of the following additional conditions on or before the Effective Date:

(a) all covenants of Aero under the Arrangement Agreement to be performed on or before the Effective Date shall have been duly performed by Aero in all material respects, and Aero shall have provided Pegasus with a certificate certifying such performance as of the Effective Date;

(b) the representations and warranties of Aero set forth in the Arrangement Agreement shall be true and correct in all respects, without regard to any materiality or Aero Material Adverse Effect qualifications contained in them, of the Effective Time with the same force and effect as if made on and as of the Effective Date (except: (i) to the extent such representations and warranties speak as of an earlier date, the accuracy of which shall be determined as of such earlier date; or (ii) as affected by the Arrangement), except where any failure or failures of any such representations and warranties to be so true and correct in all respects would not, individually or in the aggregate, result in a Aero Material Adverse Effect, and Aero shall have provided Pegasus with a certificate certifying such accuracy as of the Effective Date;

(c) between the date of the Arrangement Agreement up to and including the Effective Date, there shall not have occurred any fact, development, circumstance, change, matter, action, condition, event or occurrence that, individually or in the aggregate with all other facts, circumstances, changes, matters, actions, conditions, events or occurrences, has had, or would reasonably be expected to have a Aero Material Adverse Effect;

(d) the board of directors of Aero shall have adopted all necessary resolutions, and all other necessary corporate action shall have been taken by Aero to permit the consummation of the Arrangement and the issue of Consideration Shares, Replacement Options and the Aero Shares issuable upon the exercise of the Replacement Options and the Pegasus Warrants from time to time;

(e) Aero shall have taken all necessary steps to reconstitute the Aero Board as at the Effective Time;

(f) Aero shall have made adequate provisions for the payment of all outstanding employment obligations as at the Effective Time;

(g) there shall not be pending or threatened any suit, action or proceeding by any Governmental Entity, in each case that has a reasonable likelihood of success with respect to the Arrangement or which otherwise is reasonably likely to constitute a Pegasus Material Adverse Effect or Aero Material Adverse Effect; and

(h) all consents, approvals, authorizations and waivers of any persons (other than Governmental Entities) which are required or necessary for the completion of the Arrangement and other transactions contemplated hereby (including all consents, approvals, authorizations and waivers required under Aero's material agreements) shall have been obtained or received on terms which are acceptable to Pegasus, acting reasonably.

Conditions Precedent to Aero's Obligations under the Arrangement Agreement

The obligation of Aero to complete the Arrangement is subject to the fulfilment of the following additional conditions on or before the Effective Date:

(a) all covenants of Pegasus under the Arrangement Agreement to be performed on or before the Effective Date shall have been duly performed by Pegasus in all material respects, and Pegasus shall have provided Aero with a certificate certifying such performance as of the Effective Date;

(b) the representations and warranties of Pegasus set forth in the Arrangement Agreement shall be true and correct in all respects, without regard to any materiality or Pegasus Material Adverse Effect qualifications contained in them, of the Effective Time with the same force and effect as if made on and as of the Effective Date (except (i) to the extent such representations and warranties speak as of an earlier date, the accuracy of which shall be determined as of such earlier date, or (ii) as affected by the Arrangement), except where any failure or failures of any such representations and warranties to be so true and correct in all respects would not, individually or in the aggregate, result in a Pegasus Material Adverse Effect, and Pegasus shall have provided Aero with a certificate certifying such accuracy as of the Effective Date;

(c) the date of the Arrangement Agreement up to and including the Effective Date, there shall not have occurred any fact, development, circumstance, change, matter, action, condition, event or occurrence that, individually or in the aggregate with all other facts, circumstances, changes, matters, actions, conditions, events or occurrences, has had, or would reasonably be expected to have a Pegasus Material Adverse Effect;

(d) the Pegasus Board shall have adopted all necessary resolutions, and all other necessary corporate action shall have been taken by the Company to permit the consummation of the Arrangement;

(e) Pegasus shall have entered into an amended and restated agreement in connection with the Jupiter Uranium Project upon terms reasonably acceptable to Aero;

(f) the aggregate number of Pegasus Shares held, directly or indirectly, by Shareholders who have properly exercised Dissent Rights in connection with the Arrangement shall not exceed five percent (5%) of the outstanding Pegasus Shares; and

(g) there having been no default or event of default under the Bridge Loan;

(h) there shall not be pending or threatened any suit, action or proceeding by any Governmental Entity, in each case that has a reasonable likelihood of success with respect to the Arrangement, prohibits Aero's acquisition of Pegasus or which otherwise is reasonably likely to constitute a Pegasus Material Adverse Effect or Aero Material Adverse Effect;

(i) all consents, approvals, authorizations and waivers of any persons (other than Governmental Entities) which are required or necessary for the completion of the Arrangement and other transactions contemplated hereby (including all consents, approvals, authorizations and waivers required under Pegasus' material agreements) shall have been obtained or received on terms which are acceptable to Aero, acting reasonably;

(j) Pegasus being a reporting issuer in the Provinces of British Columbia and Alberta and not being on the list of reporting issuers in default; and

(k) Pegasus shall have provided to Aero, on or before the Effective Time, written resignations effective as of the Effective Time, from all directors and officers of Pegasus and Pegasus Resources (USA) Inc. as Aero may request, acting reasonably.

Additional Terms of the Arrangement Agreement

In addition to the terms and conditions of the Arrangement Agreement set out elsewhere in this Information Circular, the following terms described below apply. The description of the Arrangement Agreement, both below and elsewhere in this Information Circular, is a summary only, and is qualified in its entirety by reference to the terms of the Arrangement Agreement, a copy of which may be found on SEDAR+.

Representations, Warranties and Covenants of Pegasus

The Arrangement Agreement contains customary representations and warranties for transactions of this nature on the part of Pegasus in respect of matters pertaining to, among other things, approval by the Pegasus Board of the Arrangement, its corporate existence and power, its capitalization, its corporate structure, its subsidiary and the ownership thereof, its authority to enter into and to perform its obligations under the Arrangement Agreement and the enforceability of the Arrangement Agreement, the non-violation of its constating documents, the absence of any requirement for third-party consents other than as disclosed, its licenses for carrying out its business, the non-violation of its contractual and other obligations in respect of its assets, its compliance with Laws, including applicable Securities Laws, its status as a "reporting issuer" in the applicable jurisdictions, its continuous disclosure record, including the absence of any misrepresentation, its financial statements, its financial books, records and accounts, and its internal controls over financial reporting and disclosure, whistleblower reporting, business carried on in the ordinary course since November 30, 2025, and the absence of any Material Adverse Effect, the absence of any undisclosed liabilities, the absence of undisclosed litigation matters, certain tax matters, title to and interest in its assets, its personal property, its material contracts, its leased property, its interest in mineral rights, the absence of expropriation notices or proceedings, its permits, its employment matters, its insurance policies, its related party transactions, certain environmental matters, its restrictive covenants, the absence of brokerage, finder's or other fee or commission payable, and the absence of shareholder agreements or similar agreements.

Pegasus has given, in favour of Aero, usual and customary covenants for an agreement in the nature of the Arrangement Agreement including, but not limited to, covenants that, during the period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated, and unless Aero shall otherwise consent in writing, Pegasus and the Pegasus Subsidiaries will: (i) conduct the business in the ordinary course and use commercially reasonable efforts to maintain and preserve its and the Pegasus Subsidiaries' business organization, assets, properties,

employees, goodwill and business relationships, including the Pegasus Mineral Rights; (ii) not undertake certain actions within or outside of the ordinary course of business (including restrictions on incurring indebtedness, issuing securities, declaring dividends, disposing of assets, entering into material contracts or making capital expenditures, in each case except as permitted by the Arrangement Agreement); (iii) notify Aero of events that has or would reasonably be expected to have a material adverse effect; (iv) file required financial statements prepared in accordance with IFRS Accounting Standards; (v) maintain and preserve all material rights under the Urano Mineral Rights; (vi) use commercially reasonable efforts to cause the current insurance (or re-insurance) policies not to be cancelled or terminated and to maintain insurance coverage consistent with past practice; (vii) use commercially reasonable efforts to effect all necessary continuations or cancellations of insurance (or re-insurance) policies; (viii) attend to tax matters and tax filings and remain in compliance with applicable tax laws; (ix) not plan or implement changes relating to employment matters other than isolated employee terminations consistent with past practice (including not increasing compensation or entering into new or amended employment or severance arrangements, except in the ordinary course); and (x) use commercially reasonable efforts to satisfy the conditions to closing and to complete the Arrangement in accordance with the Arrangement Agreement.

Representations, Warranties and Covenants of Aero

The Arrangement Agreement contains customary representations and warranties for transactions of this nature on the part of Aero in respect of matters pertaining to, among other things, its corporate existence and power, its capitalization, its corporate structure, its subsidiaries and the ownership thereof, its authority to enter into and to perform its obligations under the Arrangement Agreement, and the enforceability of the Arrangement Agreement, the non-violation of its constating documents, the absence of any requirement for third-party consents other than as disclosed, its licenses for carrying out its business, the non-violation of its contractual and other obligations in respect of its assets, its compliance with Laws, including applicable securities Laws, its status as a “reporting issuer” in the applicable jurisdictions, the absence of cease trade orders, the absence of restrictions on the resale of the Consideration, its public record of disclosure documents, including the absence of any misrepresentation, its financial statements, its financial books, records and accounts and its internal controls over financial reporting and disclosure, whistleblower reporting, business carried on in the ordinary course since October 31, 2025, and the absence of any Material Adverse Effect, the absence of any undisclosed liabilities, the absence of undisclosed litigation matters, certain tax matters, title to and interest in its assets, its personal property, its material contracts, its leased property, its interest in mineral rights, the absence of expropriation notices or proceedings, its permits, its related party transactions, certain environmental matters, its restrictive covenants, the absence of brokerage, finder’s or other fee or commission payable, and the absence of shareholder agreements or similar agreements.

Aero has given, in favour of Urano, usual and customary covenants for an agreement in the nature of the Arrangement Agreement including, but not limited to, covenants that, during the period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated, and unless Urano shall otherwise consent in writing (such consent shall not be unreasonably withheld), Aero and its subsidiaries will: (i) conduct the business in the ordinary course and use commercially reasonable efforts to maintain and preserve its and its subsidiaries’ business organization, assets, properties, employees, goodwill and business relationships, including the Aero Mineral Rights; (ii) not undertake certain actions within or outside of the ordinary course of business (including restrictions on incurring indebtedness, issuing securities, declaring dividends, disposing of assets, entering into material contracts or making capital expenditures, in each case except as permitted by the Arrangement Agreement); (iii) notify Urano of events that has or would reasonably be expected to have a material adverse effect; (iv) file required financial statements prepared in accordance with IFRS Accounting Standards; (v) maintain and preserve all material rights under the Aero Mineral Rights; (vi) use commercially reasonable efforts to cause the current insurance (or re-insurance) policies not to be cancelled or terminated and to maintain insurance coverage consistent with past practice; (vii) use commercially reasonable efforts to effect all necessary continuations or cancellations of insurance (or re-insurance) policies; (viii) attend to tax matters and tax filings and remain in compliance with applicable tax Laws; (ix) not plan or implement changes relating to employment matters other than isolated employee terminations consistent with past practice (including not increasing compensation or entering into new or amended employment or severance

arrangements, except in the ordinary course); (x) use commercially reasonable efforts to satisfy the conditions to closing and to complete the Arrangement in accordance with the Arrangement Agreement; and; and (xi) take steps to deliver Aero Shares on any exercise of Urano Warrants or Replacement Options on the same basis as the Consideration.

Non-Solicitation of Acquisition Proposals and Right to Match

Under the Arrangement Agreement, Pegasus agreed that:

(a) the Company shall not, directly or indirectly:

(i) make, initiate, solicit, encourage or otherwise facilitate (including by way of furnishing information or according access to information or any site visit) any inquiries or proposals or offers that constitute an Acquisition Proposal or that could reasonably be expected to lead to an Acquisition Proposal;

(ii) participate in any discussions or negotiations with, furnish information to, or otherwise cooperate in any way with, any Person (other than Aero and its affiliates) regarding an Acquisition Proposal or that could reasonably be expected to lead to an Acquisition Proposal;

(iii) effect any Change of Recommendation; or

(iv) accept, enter into, or propose publicly to accept or enter into, any letter of intent, memorandum of understanding, term sheet, agreement in principle, agreement, arrangement or understanding related to any Acquisition Proposal.

(b) The Company shall, and shall cause its Representatives to, immediately cease and cause to be terminated any solicitation, encouragement, discussion or negotiation with any Person (other than Aero) conducted heretofore by the Company or any of its representatives with respect to, or which may reasonably be expected to lead to, an Acquisition Proposal. To the extent it has not already done so, the Company shall discontinue or deny access to all parties other than Aero to any and all data rooms which may have been opened. To the extent that it is entitled to do so, the Company shall immediately request the return or destruction of all confidential non-public information provided to any third parties (other than Aero) who have entered into a confidentiality agreement with the Company relating to a potential Acquisition Proposal, shall use all reasonable efforts to ensure that such requests are honoured and shall immediately advise Aero orally and in writing of any responses or action (actual or threatened) by any recipient of such request which could hinder, prevent, delay or otherwise adversely affect the completion of the Arrangement

(c) The Company shall:

(i) not release any Persons from, or terminate, amend, modify, waive or fail to enforce on a timely basis any obligation of any other Person under any confidentiality or standstill agreement or amend any such agreement or other conditions included in any agreement between the Company and a third party entered into prior to the date hereof;

(ii) promptly and diligently enforce all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants of any other Person in any letter of intent, memorandum of understanding, term sheet, agreement in principle, agreement, arrangement or understanding that it has entered into prior to the date hereof or enters into after the date hereof; and

(iii) not accept or enter into any letter of intent, memorandum of understanding, term sheet, agreement in principle, agreement, arrangement or understanding requiring the Company to abandon, terminate or fail to consummate the Arrangement or providing for the payment of

any break, termination or other fees or expenses to any Person proposing an Acquisition Proposal in the event that the Company completes the transactions contemplated hereby or any other transaction with the Purchaser or any of its affiliates.

(d) The Company shall not become a party to any letter of intent, memorandum of understanding, term sheet, agreement in principle, agreement, arrangement or understanding with any Person subsequent to the date hereof that limits or prohibits the Company from providing Aero and with any information required to be given to them by the Company under the Arrangement Agreement.

However, these restrictions will not apply, subject to certain restrictions, if Pegasus receives an unsolicited written Acquisition Proposal that the Urano Board determines in good faith is or could reasonably be expected to constitute in a Superior Proposal.

If the Pegasus Board determines that an Acquisition Proposal is a Superior Proposal, it must give Aero five Business Days' notice of the Pegasus Board's intention to accept, approve, recommend or enter into an agreement in respect of, such Acquisition Proposal.

During the three Business Day-period before Pegasus can accept, approve, recommend or enter into an agreement in respect of, an Acquisition Proposal, Aero shall have the right to offer in writing to amend the terms of the Arrangement Agreement as it relates to the Arrangement.

The Pegasus Board will review any written offer by Aero to amend the terms of the Arrangement Agreement as it relates to the Arrangement in good faith in order to determine whether such written offer of Aero would be at least equivalent to the Superior Proposal. In that event, Pegasus will enter into an amended agreement with Aero reflecting the written amendment proposed by Aero.

No amounts are required to be paid to Aero as a termination payment in the event that Pegasus enters into an agreement to effect a Superior Proposal or the Pegasus Board makes a Change in Recommendation in respect of the Arrangement.

The above is a summary of the provisions of the Arrangement Agreement. Shareholders should refer to the full text of the Arrangement Agreement, which is filed on SEDAR+.

Amendment of the Arrangement Agreement and Plan of Arrangement

The Arrangement Agreement and the Plan of Arrangement may be amended by mutual written agreement of the parties at any time before or after the holding of the Meeting but not later than the Effective Time, and any such amendment may, subject to the Interim Order and Final Order and applicable Laws:

(a) change the time for performance of any of the obligations or acts of the parties;

(b) waive or modify any inaccuracies or modify any representation, term or provision contained in the Arrangement Agreement or in any document delivered pursuant thereto; or

(c) waive compliance with or modify any of the conditions precedent or any of the covenants or modify performance of any of the obligations of the parties.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Time by mutual written consent of Aero and Pegasus if:

(a) the Effective Time has not occurred on or prior to May 31, 2026 unless the failure of the Effective Time to occur by such date is the result of the breach of the obligations of the party terminating the Arrangement Agreement or any representation or warranty of such party being untrue or incorrect;

(b) there shall be enacted an applicable Law (or applicable Law amended) or there shall be an injunction or court order that makes consummation of the Arrangement illegal or otherwise prohibits Pegasus or Aero from consummating the Arrangement; or

(c) the required vote for the for the Arrangement Resolution is not obtained at the Meeting or any adjournment thereof.

Aero may terminate the Arrangement Agreement at any time prior to the Effective Time if:

(a) Pegasus shall have effected a Change of Recommendation (as defined in the Arrangement Agreement);

(b) Pegasus breaches the non-solicitation covenants included in the Arrangement Agreement; or

(c) a Pegasus Material Adverse Effect has occurred.

Pegasus may terminate the Arrangement Agreement at any time prior to the Effective Time if:

(a) Pegasus proposes to accept a Superior Proposal; or

(b) an Aero Material Adverse Effect has occurred.

Conduct of the Meeting and Other Approvals

Shareholder Approval of the Arrangement

In order for the Arrangement to be effected, the BCBCA requires the Arrangement Resolution to be passed by the Shareholders. The complete text of the Arrangement Resolution to be presented to the Meeting is set forth in Schedule "A" to this Information Circular. Securities Laws require the Arrangement Resolution to be passed by Shareholders. The Arrangement Resolution must be approved by at least two-thirds (66⅔%) of the votes cast by those Shareholders who are present at the Meeting either in person or by proxy.

Court Approval of the Arrangement

The Arrangement, under the BCBCA, also requires the approval of the Court.

On March 26, 2026, prior to mailing of the material in respect of the Meeting, Pegasus obtained the Interim Order providing for the calling and holding of the Meeting and other procedural matters and issued a notice of hearing of petition (the "**Notice of Hearing of Petition**") to approve the Arrangement. Attached to this Information Circular as Schedule "C" is a copy of the Interim Order and as Schedule "D" is the Notice of Hearing of Petition.

The Court hearing in respect of the Final Order is scheduled to take place at 9:45 a.m. (Vancouver time) on May 4, 2026, or as soon thereafter as counsel for Pegasus may be heard, at the Law Courts, 800 Smithe Street, Vancouver, British Columbia, subject to the approval of the Arrangement Resolution at the Meeting. ***Shareholders who wish to participate in or be represented at the Court hearing should consult with their legal advisors as to the necessary requirements.***

At the Court hearing, Shareholders who wish to participate or to be represented or to present evidence or argument may do so, subject to the rules of the Court. Although the authority of the Court is very broad under the BCBCA, Pegasus has been advised by counsel that the Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement to Shareholders and the rights and interests of every person affected. The Court may approve the Arrangement as proposed or as amended in any manner as the Court may direct, subject to compliance with such terms and conditions, if

any, as the Court deems fit. The Final Order is required for the Arrangement to become effective and, prior to the hearing of the Final Order, the Court will be informed that the Final Order will also constitute the basis for the exemption provided by Section 3(a)(10) of the U.S. Securities Act with respect to the securities to be issued and distributed pursuant to the Arrangement. See "*Securities Laws Considerations - U.S. Securities Laws*".

Under the terms of the Interim Order, each Shareholders will have the right to appear and present evidence at the hearing for the Final Order. Any person desiring to appear at the hearing to be held by the Court to approve the Arrangement pursuant to the Notice of Hearing of Petition is required to file with the Court and serve upon Pegasus at the address set out below, on or before 4:00 p.m. (Vancouver time) on April 29, 2026, a notice of his, her or its intention to appear ("**Response to Petition**"), including his, her or its address for delivery, together with any evidence or materials which are to be presented to the Court. The Response to Petition and supporting materials must be delivered, within the time specified, to Pegasus at the following address:

DWF Group
Suite 2400, 200 Granville Street
Vancouver, British Columbia V6C 1S4
Attention: Nicole Chang & Lauren Gnanasihamany

Fees and Expenses

Under the Arrangement Agreement, Aero and Pegasus agreed that each party shall pay its respective legal, accounting and other professional advisory fees, costs and expenses incurred in connection with the negotiation, preparation or execution of the Arrangement Agreement, and all documents and instruments executed or delivered pursuant to the Arrangement Agreement, as well as any other costs and expenses incurred.

RIGHTS OF DISSENTING SHAREHOLDERS

Shareholders who wish to dissent should take note that the procedures for dissenting to the Arrangement require strict compliance with the Interim Order, the Plan of Arrangement and applicable Dissent Procedures.

As indicated in the Notice, any **registered** holder of common shares is entitled to be paid the fair value of such shares in accordance with Section 245 of the BCBCA if such holder duly dissents in respect of the Arrangement and the Arrangement becomes effective. A Shareholder is not entitled to dissent with respect to such holder's Pegasus Shares if such holder votes any of those shares in favour of the Arrangement Resolution.

If a registered Shareholder exercises Dissent Rights, as herein defined, Aero will on the Effective Date set aside a number of the securities, respectively, which are attributable under the Arrangement to the Pegasus Shares for which Dissent Rights have been exercised (the "**Dissenting Shares**"). If a Shareholder duly complies with the Dissent Procedures and is ultimately entitled to be paid for their Dissenting Shares, the Dissenting Shares held by such a Shareholder will be deemed to be transferred to Aero and Aero shall be recorded as the registered holder of such Pegasus Shares so transferred and shall be deemed to be the legal owner of such Pegasus Shares in accordance with the terms of the Arrangement and Aero will pay the amount to be paid in respect of the Dissenting Shares.

A brief summary of the provisions of Sections 237 to 247 of the BCBCA is set out below.

Notwithstanding Subsection 242(2) of the BCBCA, the written notice of dissent to the Arrangement Resolution referred to in Subsection 242(2) of the BCBCA must be received by Pegasus not later than 5:00 p.m. (Vancouver time) at least two days before the date of the Meeting. The notice of dissent should be

delivered by registered mail to Pegasus at the address for notice described below. After the Arrangement Resolution is approved by Shareholders and within one month after Pegasus notifies the dissenting Shareholder of Pegasus' intention to act upon the Arrangement Resolution pursuant to Section 243 of the BCBCA, the dissenting Shareholder must send to Pegasus a written notice that such holder requires the purchase of all of the Pegasus Shares in respect of which such holder has given notice of dissent, together with the share certificate or certificates representing those Pegasus Shares (including a written statement prepared in accordance with Subsection 244(1)(c) of the BCBCA if the dissent is being exercised by the Shareholder on behalf of a beneficial holder). A dissenting Shareholder who does not strictly comply with the Dissent Procedures or, for any other reason, is not entitled to be paid fair value for his, her or its Dissenting Shares will be deemed to have participated in the Arrangement on the same basis as non-dissenting Shareholders.

Any dissenting Shareholder who has duly complied with Section 244(1) of the BCBCA or Pegasus may apply to the Court, and the Court may determine the fair value of the Dissenting Shares and make consequential orders and give directions as the Court considers appropriate. There is no obligation on Pegasus to apply to the Court. The dissenting Shareholder will be entitled to receive the fair value that the Dissenting Shares had immediately before the passing of the Arrangement Resolution. Failure to comply strictly with the provisions of the BCBCA, as modified by the Interim Order and the Final Order, and to adhere to the procedures established therein may result in the loss of all rights thereunder.

The Court, upon hearing the application for the Final Order has the discretion to alter the Dissent Rights described herein based on the evidence presented at such hearing.

Pursuant to the Interim Order, holders of Pegasus Shares may exercise rights of dissent ("**Dissent Rights**") under Division 2 of Part 8 of the BCBCA, as the same may be modified by the Interim Order and the Final Order, with respect to Pegasus Shares in connection with the Arrangement, provided that the written notice of dissent to the Arrangement Resolution contemplated by Section 242 of the BCBCA must be sent to Pegasus by Shareholders who wish to dissent at least two days before the Meeting or any date to which the Meeting may be postponed or adjourned and provided further that Shareholders who exercise such Dissent Rights and who:

(a) are ultimately entitled to be paid fair value for their Pegasus Shares which fair value shall be the fair value of such Pegasus Shares immediately before the passing by the Shareholders of the Arrangement Resolution, shall be paid an amount in cash equal to such fair value by Aero; and

(b) are ultimately not entitled, for any reason, to be paid fair value for their Pegasus Shares shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting holder of Pegasus Shares and shall be entitled to receive only the Consideration contemplated under the Plan of Arrangement that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Rights,

but in no case shall Aero, Pegasus, or any other person be required to recognize holders of Pegasus Shares who exercise Dissent Rights as Shareholders after the time that is immediately prior to the Effective Time, and the names of such holders of Pegasus Shares who exercise Dissent Rights shall be deleted from the central securities register of Pegasus Shares as Shareholders at the Effective Time and Aero shall be recorded as the registered holder of the Pegasus Shares so transferred and shall be deemed to be the legal owner of such Pegasus Shares.

Addresses for Notice

All notices of dissent to the Arrangement pursuant to Section 242 of the BCBCA should be sent to Pegasus' counsel at:

Morton Law LLP
1200, 750 West Pender Street
Vancouver, BCV6C 2T8
Attention: Sandy Fong

Strict Compliance with Dissent Provisions Required

The foregoing summary does not purport to provide a comprehensive statement of the procedures to be followed by a dissenting Shareholder who seeks payment of the fair value of the Pegasus Shares held and is qualified in its entirety by reference to Sections 237 to 247 of the BCBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement. A copy of the Interim Order is attached to this Information Circular as Schedule "C". Sections 237 to 247 of the BCBCA are reproduced in Schedule "G" to this Information Circular. The Dissent Procedures must be strictly adhered to and any failure by a Shareholder to do so may result in the loss of that holder's Dissent Rights. **Accordingly, each Shareholder who wishes to exercise Dissent Rights should carefully consider and comply with the Dissent Procedures and consult such holder's legal advisers.**

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date of this Information Circular, a general summary of the principal Canadian federal income tax considerations under the Tax Act in respect of the Arrangement generally applicable to Shareholders who beneficially own Pegasus Shares immediately prior to the Effective Time, who acquire Aero Shares pursuant to the Arrangement, and who at all relevant times, for purposes of the Tax Act (i) hold their Pegasus Shares, and will hold any Aero Shares acquired pursuant to the Arrangement, as capital property, and (ii) deal at arm's length with all of, and are not affiliated with any of, Pegasus and Aero (each such Shareholder, a "**Holder**").

Generally, Pegasus Shares and Aero Shares will be considered to be capital property to the holder thereof provided that they are not used or held in the course of carrying on a business of trading or dealing in securities and have not been acquired in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Shareholders who are resident in Canada for purposes of the Tax Act and who might not otherwise be considered to hold their Pegasus Shares or Aero Shares, as applicable, as capital property may, in certain circumstances, be entitled to have their Pegasus Shares, Aero Shares and any other "Canadian security" (as defined in the Tax Act), owned by such holders in the taxation year in which the election is made, and in all subsequent taxation years, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Such Shareholders should consult their own tax advisors regarding the potential application and consequences of this election in their particular circumstances.

This summary does not apply to a Holder: (i) that is a partnership; (ii) that beneficially owns their Pegasus Shares through a partnership; (iii) that is a "financial institution" (as defined in the Tax Act) for the purposes of the mark-to-market rules; (iv) that is a "specified financial institution" or "restricted financial institution" (each as defined in the Tax Act); (v) an interest in which is a "tax shelter investment" or whose Pegasus Shares are a "tax shelter investment" (as defined in the Tax Act); (vi) that has made a "functional currency" election under section 261 of the Tax Act; (vii) that has acquired, or acquires, Pegasus Shares upon the exercise or settlement (or deemed exercise or settlement) of a Pegasus Option, or pursuant to any other employee compensation plan; (viii) that is a corporation resident in Canada that is, or becomes (or does not deal at "arm's length", within the meaning of the Tax Act, with a corporation resident in Canada that is or becomes), as part of a transaction or event or series of transactions or events that includes the Arrangement, controlled by a non-resident corporation, a non-resident individual, a non-resident trust or a group of persons (comprising any combination of non-resident corporations, non-resident individuals and

non-resident trusts) that do not deal with each other at arm's length, for purposes of section 212.3 of the Tax Act; (ix) that has entered into, or enters into, a "derivative forward agreement", "synthetic equity arrangement" or "synthetic disposition arrangement" (each as defined in the Tax Act) with respect to its Pegasus Shares or Aero Shares; (x) that receives dividends on its Pegasus Shares or Aero Shares under or as part of a "dividend rental arrangement" (as defined in the Tax Act); or (xi) that is exempt from tax under Part I of the Tax Act. **Such Holders should consult their own tax advisors.**

In addition, this summary does not address the Canadian federal income tax considerations applicable to holders of Pegasus Options or Pegasus Warrants in connection with the Arrangement. **Such holders should consult their own tax advisors.**

For purposes of this summary, it has been assumed that the Pegasus Shares will continue to be listed on the TSXV at all relevant times until they are exchanged for Aero Shares pursuant to the Arrangement, and that the Aero Shares will be listed on the TSXV at all relevant times.

This summary is based upon the provisions of the Tax Act in force on the date of this Information Circular and an understanding of the current published administrative policies and assessing practices of the CRA made publicly available prior to the date of this Information Circular. This summary takes into account all specific proposals to amend the Tax Act which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Information Circular (the "**Tax Proposals**") and assumes that the Tax Proposals will be enacted in their current form; however no assurance can be given that any of the Tax Proposals will be enacted in the form proposed, or at all. Except for the Tax Proposals, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action, or changes in the administrative or assessing practices and policies of the CRA, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

This summary assumes that Aero will not make a joint election with any Shareholder under section 85 of the Tax Act in respect of the exchange of Pegasus Shares for Aero Shares pursuant to the Arrangement.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations applicable to a Holder in respect of the transactions described herein. The income or other tax consequences to a Holder will vary depending on the particular circumstances of the Holder, including the province or provinces in which the Holder resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any particular Holder are made. Moreover, no advance income tax ruling has been applied for or obtained from the CRA to confirm the tax consequences of any of the transactions described herein. Holders should consult their own legal and tax advisors with respect to the tax consequences of the transactions described in this Information Circular based on their own particular circumstances.

Holders Resident in Canada

The following summary under this heading "*Holders Resident in Canada*" is generally applicable to a Holder who at all relevant times, for purposes of the Tax Act, is or is deemed to be resident in Canada (a "**Resident Holder**").

The following portion of this summary, other than the portion under the heading "*Holders Resident in Canada – Dissenting Resident Holders*", applies to Resident Holders that are not Dissenting Shareholders.

Exchange of Pegasus Shares for Aero Shares

A Resident Holder who exchanges Pegasus Shares for Aero Shares pursuant to the Arrangement will (unless the Resident Holder chooses otherwise, as described below) be deemed to have disposed of such Pegasus Shares for proceeds of disposition equal to the Resident Holder's adjusted cost base thereof immediately before the exchange. As a result, such a Resident Holder should not recognize a capital gain or capital loss in respect of the exchange. The Resident Holder will also be deemed to have acquired the Aero Shares received in exchange for such Pegasus Shares at a cost equal to the Resident Holder's adjusted cost base of the Pegasus Shares immediately before the exchange. If the Resident Holder owns any other Aero Shares as capital property at the time of the exchange, the adjusted cost base of all Aero Shares owned by the Resident Holder immediately after the exchange will be determined in accordance with certain rules in the Tax Act by averaging the cost of the shares acquired on the exchange with the adjusted cost base of those other shares.

Notwithstanding the foregoing, a Resident Holder who exchanges Pegasus Shares for Aero Shares pursuant to the Arrangement may, if the Resident Holder so chooses, recognize all (but not less than all) of the capital gain or capital loss in respect of such disposition of Pegasus Shares by reporting such capital gain or capital loss in the Resident Holder's income tax return for the taxation year during which the disposition occurs. The taxation of any such capital gain or capital loss will be generally as described under the heading "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" below.

Disposition of Aero Shares Following the Arrangement

A Resident Holder who disposes, or is deemed to dispose, of a Aero Share following the completion of the Arrangement (other than a disposition of a Aero Share to Aero, unless such disposition is the purchase by Aero in the open market in the manner in which shares are normally purchased by a member of the public in the open market) generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such share to the Resident Holder immediately before the disposition.

The taxation of any such capital gain or capital loss will be generally as described under the heading "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" below.

Taxation of Capital Gains and Capital Losses

Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Resident Holder in a taxation year must be included in the Resident Holder's income for the year, and one-half of any capital loss (an "**allowable capital loss**") realized by a Resident Holder in a taxation year must be deducted from taxable capital gains realized by the Resident Holder in that year.

Allowable capital losses for a taxation year in excess of taxable capital gains for a taxation year may generally be carried back and deducted in any of the three preceding taxation years, or carried forward and deducted in any subsequent taxation year, against net taxable capital gains realized in such years, to the extent and under the circumstances specified in the Tax Act.

The amount of any capital loss otherwise realized by the Resident Holder that is a corporation on a disposition or deemed disposition of Aero Shares may be reduced by the amount of certain dividends received or deemed to be received by it on such share (and, in certain circumstances, a share for which such share was exchanged), in each case to the extent and under the circumstances specified by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns such shares, or where a partnership or trust of which the corporation is a member or beneficiary is a member of a partnership or a beneficiary of a trust that owns such shares. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) throughout the relevant taxation year or a "substantive CCPC" (as defined in the Tax Act) at any time in a taxation year may be liable to pay an additional tax (refundable in certain circumstances) on its "aggregate investment income", which includes amounts in respect of net taxable capital gains.

Capital gains realized by individuals and certain trusts may, in certain circumstances, give rise to the alternative minimum tax under the Tax Act.

Dividends on Aero Shares

A Resident Holder generally will be required to include in computing its income for a taxation year any dividends received or deemed to be received on such Resident Holder's Aero Shares during such taxation year.

In the case of a Resident Holder who is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules generally applicable to dividends received from "taxable Canadian corporations" (as defined in the Tax Act), including the enhanced gross-up and dividend tax credit if, and to the extent, Aero designates any portion of a particular dividend to be an "eligible dividend" in accordance with the Tax Act. There may be limitations on the ability of Aero to designate dividends as eligible dividends.

In the case of a Resident Holder that is a corporation, the amount of any taxable dividend received or deemed to be received on such Resident Holder's Aero Shares and included in the Resident Holder's income for the taxation year generally will be deductible in computing the Resident Holder's taxable income.

In certain circumstances, subsection 55(2) of the Tax Act may deem a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. **Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.**

A Resident Holder that is a "private corporation" (as defined in the Tax Act) or any other corporation resident in Canada controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), may be liable under Part IV of the Tax Act to pay an additional tax (refundable in certain circumstances) on dividends received or deemed to be received on the Aero Shares to the extent that such dividends are deductible in computing the Resident Holder's taxable income for the taxation year.

Taxable dividends received or deemed to be received by individuals and certain trusts may, in certain circumstances, give rise to the alternative minimum tax under the Tax Act.

Dissenting Resident Holders

The following portion of this summary is generally applicable to a Resident Holder that is a Dissenting Shareholder (a "**Dissenting Resident Holder**").

A Dissenting Resident Holder who, as a result of the valid exercise of Dissent Rights, is entitled to be paid the fair value of their Pegasus Shares by Pegasus will be deemed to have received a taxable dividend in the taxation year of payment equal to the amount, if any, by which such payment (other than that portion that is in respect of interest, if any, awarded by the Court) exceeds the paid-up capital attributable to such Dissenting Resident Holder's Pegasus Shares immediately before their surrender to Pegasus pursuant to the Arrangement. The tax consequences described above under the heading "*Holders Resident in Canada – Dividends on Aero Shares*" will generally apply with respect to any such deemed dividend.

In addition, a Dissenting Resident Holder will be considered to have disposed of such Pegasus Shares for proceeds of disposition equal to the payment received (other than that portion that is in respect of interest, if any, awarded by the Court), less the amount of any deemed dividend arising on the surrender of such

Pegasus Shares as described above. The Dissenting Resident Holder will, in general, realize a capital gain (or incur a capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such holder of the Pegasus Shares immediately before their surrender to Pegasus pursuant to the Arrangement. The taxation of any such capital gain or capital loss will be generally as described under the heading "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" above.

Interest, if any, awarded by the Court to a Dissenting Resident Holder will be included in the Dissenting Resident Holder's income for the purposes of the Tax Act.

Dissenting Resident Holders should consult their own tax advisors with respect to the tax implications to them of the exercise of Dissent Rights.

Holders Not Resident in Canada

The following summary under this heading "Holders Not Resident in Canada" is generally applicable to a Holder who at all relevant times, for purposes of the Tax Act, (i) is not resident in Canada and is not deemed to be resident in Canada, (ii) does not use or hold, and is not deemed to use or hold, its Pegasus Shares or Aero Shares in, or in the course of carrying on, a business in Canada, (iii) is not a person who carries on an insurance business in Canada and elsewhere, (iv) is not an "authorized foreign bank" (as defined in the Tax Act), and (v) is not a "foreign affiliate" (as defined in the Tax Act) of a person resident in Canada (a "**Non-Resident Holder**").

The following portion of this summary, other than the portion under the heading "*Holders Not Resident in Canada – Dissenting Non-Resident Holders*", applies to Non-Resident Holders that are not Dissenting Shareholders.

Exchange of Pegasus Shares for Aero Shares

A Non-Resident Holder will generally not be subject to tax under the Tax Act on any capital gain, or be entitled to deduct any capital loss, realized on the exchange of its Pegasus Shares for Aero Shares pursuant to the Arrangement unless such Pegasus Shares are (or are deemed to be) "taxable Canadian property" (as defined in the Tax Act) to the Non-Resident Holder at the time of such exchange and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

The Pegasus Shares disposed of by a Non-Resident Holder pursuant to the Arrangement generally will be "taxable Canadian property" of the Non-Resident Holder if, at any time during the 60-month period immediately preceding the disposition:

- 25% or more of the issued shares of any class of the capital stock of Pegasus were owned by or belonged to one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder did not deal at arm's length for purposes of the Tax Act, and (iii) partnerships in which the Non-Resident Holder or a person referred to in (iii) holds a membership interest directly or indirectly through one or more partnership; and

- more than 50% of the fair market value of the Pegasus Shares at such time was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" or "timber resource properties" (each as defined in the Tax Act), or options in respect of, or interests in, or for civil law rights in, any such properties.

Notwithstanding the foregoing, a Pegasus Share may also be deemed to be "taxable Canadian property" in certain circumstances, subject to the detailed rules in the Tax Act. ***Non-Resident Holders*** should consult their own tax advisors in this regard.

Even if the Pegasus Shares are "taxable Canadian property" to a Non-Resident Holder, such Non-Resident Holder may be exempt from Canadian tax on any capital gain realized on the exchange of its Pegasus Shares pursuant to the Arrangement by virtue of an applicable income tax treaty or convention to which Canada is a signatory. Non-Resident Holders whose Pegasus Shares may constitute "taxable Canadian property" should consult their own tax advisors in this regard.

If the Pegasus Shares are or are deemed to be "taxable Canadian property" of a Non-Resident Holder and such Non-Resident Holder is not eligible for relief pursuant to an applicable income tax treaty or convention, then the exchange of such Non-Resident Holder's Pegasus Shares pursuant to the Arrangement will generally be subject to the same Canadian tax consequences applicable to a Resident Holder with respect to the exchange of such Non-Resident Holder's Pegasus Shares pursuant to the Arrangement as discussed above under the heading "*Holders Resident in Canada – Exchange of Pegasus Shares for Aero Shares*", including qualifying for the automatic tax-deferred rollover under section 85.1 of the Tax Act. In that case, however, the exchange of Pegasus Shares for Aero Shares may be subject to Canadian withholding tax unless the Pegasus Shares constitute "excluded property" (as defined in subsection 116(6) of the Tax Act). Non-Resident Holders should consult with their own tax advisors in this regard.

The cost to a Non-Resident Holder of the Aero Shares acquired on the exchange of Pegasus Shares pursuant to the Arrangement will be computed in the same manner as described above with respect to a Resident Holder under the heading "*Holders Resident in Canada – Exchange of Pegasus Shares for Aero Shares*".

Disposition of Aero Shares Following the Arrangement

A Non-Resident Holder who, following the completion of the Arrangement, disposes, or is deemed to dispose, of a Aero Share will generally not be subject to tax under the Tax Act on any capital gain, or be entitled to deduct any capital loss, realized on such disposition unless, at the time of disposition, such share is or is deemed to be "taxable Canadian property" (as defined in the Tax Act) to the Non-Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Provided that the Aero Shares are listed on a "designated stock exchange" (as defined in the Tax Act, which currently includes the TSXV) at the time they are disposed of by the Non-Resident Holder, the Aero Shares generally will be "taxable Canadian property" of the Non-Resident Holder if, at any time during the 60-month period immediately preceding the disposition:

- 25% or more of the issued shares of any class of the capital stock of Aero were owned by or belonged to one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder did not deal at arm's length for purposes of the Tax Act, and (iii) partnerships in which the Non-Resident Holder or a person referred to in (iii) holds a membership interest directly or indirectly through one or more partnership; and

- more than 50% of the fair market value of the Aero Shares at such time was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" or "timber resource properties" (each as defined in the Tax Act), or options in respect of, or interests in, or for civil law rights in, any such properties.

An Aero Share acquired by a Non-Resident Holder upon the exchange of Pegasus Shares for Aero Shares pursuant to the Arrangement may also be deemed to be "taxable Canadian property" of the Non-Resident Holder for a period of 60 months following the Effective Date if, at the time of such exchange, such Pegasus Shares constituted "taxable Canadian property" of the Non-Resident Holder. Non-Resident Holders should consult their own tax advisors in this regard.

Even if the Aero Shares are "taxable Canadian property" of a Non-Resident Holder, such Non-Resident Holder may be exempt from Canadian tax on any capital gain realized on the disposition of such shares by

virtue of an applicable income tax treaty or convention to which Canada is a signatory. Non-Resident Holders should consult their own tax advisors in this regard.

If the Aero Shares are or are deemed to be "taxable Canadian property" to a Non-Resident Holder and such Non-Resident Holder is not eligible for relief pursuant to an applicable income tax treaty or convention, then the disposition of the Non-Resident Holder's Aero Shares generally will be subject to the same Canadian tax consequences applicable to a Resident Holder with respect to the disposition of such Resident Holder's Aero Shares as discussed above under the heading "*Holders Resident in Canada – Disposition of Aero Shares Following the Arrangement*".

Dividends on Aero Shares

Dividends paid or credited, or deemed to be paid or credited, to a Non-Resident Holder on Aero Shares will be subject to Canadian non-resident withholding tax. Under the Tax Act, the rate of withholding is 25% of the gross amount of the dividend. The withholding rate may be reduced pursuant to the provisions of an applicable income tax treaty or convention. Under the Canada–United States Tax Convention (1980), as amended (the "**Canada–U.S. Tax Treaty**"), the withholding rate on any such dividend beneficially owned by a Non-Resident Holder that is a resident of the United States for purposes of the Canada–U.S. Tax Treaty and fully entitled to the benefits of such treaty (a "**U.S. Treaty Holder**") is generally reduced to 15% (or 5% in the case of a U.S. Treaty Holder that is a company beneficially owning at least 10% of the voting shares of Aero).

Dissenting Non-Resident Holders

The following portion of this summary applies to a Non-Resident Holder that is a Dissenting Shareholder (a "**Dissenting Non-Resident Holder**").

A Dissenting Non-Resident Holder who, as a result of the exercise of Dissent Rights, is entitled to be paid the fair value of their Pegasus Shares by Pegasus will be deemed to have received a taxable dividend in the taxation year of payment equal to the amount, if any, by which such payment (other than that portion that is in respect of interest, if any, awarded by the Court) exceeds the paid-up capital attributable to such Dissenting Non-Resident Holder's Pegasus Shares immediately before their surrender to Pegasus pursuant to the Arrangement. Any such deemed dividend will be subject to Canadian withholding tax at the same rate as described above under the heading "*Holders Not Resident in Canada – Dividends on Aero Shares*" with respect to dividends on the Aero Shares.

In addition, a Dissenting Non-Resident Holder will be considered to have disposed of such Pegasus Shares for proceeds of disposition equal to the payment received (other than that portion that is in respect of interest, if any, awarded by the Court), less the amount of any deemed dividend arising on the surrender of such shares as described above. A Dissenting Non-Resident Holder will, in general, realize a capital gain (or incur a capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such holder of the Pegasus Shares immediately before their surrender to Pegasus pursuant to the Arrangement. A Dissenting Non-Resident Holder will generally not be subject to tax under the Tax Act on any capital gain, or be entitled to deduct any capital loss, realized on the disposition of its Pegasus Shares unless such Pegasus Shares are "taxable Canadian property" of the Non-Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Interest, if any, awarded by the Court to a Dissenting Non-Resident Holder will not be subject to Canadian withholding tax, provided that such interest does not constitute "participating debt interest" as defined in the Tax Act.

Dissenting Non-Resident Holders should consult their own tax advisors with respect to the tax implications to them of the exercise of their Dissent Rights.

Eligibility for Investment

Based on the current provisions of the Tax Act in force as of the date hereof, the Aero Shares received by Shareholders pursuant to the Arrangement should be qualified investments under the Tax Act at a particular time for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan, a tax-free savings account, a first home savings account, or a registered disability savings plan, all as defined in the Tax Act (each a "**Registered Plan**") or a trust governed by a deferred profit sharing plan (a "**DPSP**"), provided that at the particular time either: (1) the Aero Shares are listed and posted for trading on a "designated stock exchange" (as defined in the Tax Act, which currently includes the TSXV), or (2) Aero otherwise qualifies at that time as a "public corporation" (as defined in the Tax Act) other than a mortgage investment corporation.

In this regard the Aero Shares are currently listed on a designated stock exchange and Aero is currently a public corporation other than a mortgage investment corporation.

If at any time the Aero Shares are not listed on a designated stock exchange and Aero does not qualify as a public corporation, then the Aero Shares will not be qualified investments under the Tax Act at that time for a trust governed by a Registered Plan or a DPSP and adverse tax consequences will arise with respect to any Aero Shares acquired or held by such a trust.

Further, notwithstanding that the Aero Shares may be a qualified investment, the holder, annuitant, or subscriber of a Registered Plan will be subject to a penalty tax in respect of Aero Shares held in that Registered Plan if such Aero Shares are a "prohibited investment" for the purposes of the Tax Act. The Aero Shares will generally be a "prohibited investment" if the holder, annuitant or subscriber, as the case may be, does not deal at arm's length with Aero for the purposes of the Tax Act or has a "significant interest" (as defined in the Tax Act) in Aero for the purposes of the Tax Act. The Aero Shares will generally not be a "prohibited investment" if the Aero Shares are "excluded property" as defined in the Tax Act for trusts governed by a Registered Plan. Prospective holders that intend to hold Aero Shares in a Registered Plan are urged to consult their own tax advisers with respect to whether the Aero Shares would constitute a "prohibited investment" in their particular circumstances.

UNITED STATES FEDERAL INCOME TAX

This Information Circular does not contain a discussion of the U.S. federal income tax consequences of the Arrangement to Shareholders subject to United States tax jurisdiction. U.S. Holders of Pegasus Shares should consult their own tax advisors with respect to the U.S. federal income tax consequences of the Arrangement, including the holding of shares in a "passive foreign investment company" and regarding the U.S. tax implications to them of the Arrangement.

SECURITIES LAWS CONSIDERATIONS

The following is a brief summary of the Securities Laws considerations applying to the Arrangement.

Canadian Securities Laws

Shareholders are urged to consult their professional and legal advisors to determine the applicability to them of the resale restrictions prescribed by applicable Securities Laws

Status under Canadian Securities Laws

Pegasus is a reporting issuer in British Columbia and Alberta. The Pegasus Shares currently trade on the TSXV under the symbol "PEGA" and on the OTCID under the symbol "SLTFF". Aero is, and after the Arrangement will continue to be, a reporting issuer in all of the provinces of Canada. The Aero Shares currently trade on each of the TSXV under the symbol AERO", the Frankfurt Stock Exchange under the symbol "UU3" and on the OTC Pink under the symbol "AAUGF".

Distribution and Resale of Securities Under Canadian Securities Laws

The distribution of the securities pursuant to the Arrangement will constitute a distribution of securities which is exempt from the prospectus requirements of Canadian securities legislation. With certain exceptions, the securities may generally be resold in each of the provinces of Canada provided the trade is not a "control distribution" as defined in National Instrument 45 - 102 - *Resale of Securities* of the Canadian Securities Administrators, no unusual effort is made to prepare the market or create a demand for those securities, no extraordinary commission or consideration is paid to a person or company in respect of the trade and, if the selling security holder is an insider or officer of Aero, the insider or officer has no reasonable grounds to believe that Aero is in default of securities legislation.

MI 61-101 Protection of Minority Security Holders in Special Transactions

Since Pegasus is a reporting issuer in British Columbia and Alberta, and is subject to Policy 5.9 - *Protection of Minority Security Holders in Special Transactions* of the TSXV, the Arrangement is subject to MI 61-101. MI 61-101 is intended to regulate certain transactions to ensure equality of treatment among securityholders, generally requiring enhanced disclosure, approval by a majority of shareholders excluding interested or related parties, independent valuations and, in certain circumstances, approval and oversight of the transaction by a special committee of independent Directors. The protections of MI 61-101 generally apply to "business combinations" where the interests of a holder of an equity security may be terminated without their consent.

MI 61-101 provides that, in certain circumstances, where a "related party" (as defined in MI 61-101) of an issuer is entitled to receive a "collateral benefit" (as defined in MI 61-101) in connection with an arrangement transaction (such as the Arrangement), such transaction may be considered a "business combination" for the purposes of MI 61-101 and subject to minority approval requirements.

A "collateral benefit", as defined in MI 61-101, includes any benefit that a related party of Pegasus (which includes the directors and senior officers of Pegasus) is entitled to receive, directly or indirectly, as a consequence of the Arrangement, including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancement in benefits related to past or future services as an employee, director or consultant of Pegasus. However, such a benefit will not constitute a "collateral benefit" provided that certain conditions are satisfied.

Under MI 61-101, a benefit received by a related party of Pegasus is not considered to be a "collateral benefit" if the benefit is received solely in connection with the related party's services as an employee, director or consultant of Pegasus or an affiliated entity and (i) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the Arrangement, (ii) the conferring of the benefit is not, by its terms, conditional on the related party supporting the Arrangement in any manner, (iii) full particulars of the benefit are disclosed in the disclosure document for the transaction, and (iv) either (A) at the time the Arrangement was agreed to, the related party and its associated entities beneficially owned or exercised control or direction over less than 1% of the outstanding Pegasus Shares, or (B) (x) the related party discloses to an independent committee of Pegasus the amount of consideration that the related party expects it will be beneficially entitled to receive, under the terms of the Arrangement, in exchange for the Pegasus Shares beneficially owned by the related party, (y) the independent committee, acting in good faith, determines that the value of the benefit, net of any offsetting costs to the related party, is less than 5% of the value referred to in (B) (x), and (z) the independent committee's determination is disclosed in this Information Circular.

If a "related party" receives a "collateral benefit" in connection with the Arrangement, the Arrangement Resolution will also require "minority approval" in accordance with MI 61-101. If "minority approval" is required, the Arrangement Resolution must also be approved by a majority of the votes cast, excluding those votes beneficially owned, or over which control or direction is exercised, by the "related parties" of Pegasus who receive a "collateral benefit" in connection with the Arrangement.

The Pegasus Board has determined that no related party of Pegasus (which includes the directors and senior officers of Pegasus) is entitled to receive directly or indirectly, as a consequence of the Arrangement, any "collateral benefit" for the purposes of MI 61-101.

To the knowledge of the Company, no "related party" (as defined in MI 61-101) of the Company has participated in or will participate in the Concurrent Financing.

U.S. Securities Laws

The following discussion is a general overview of certain requirements of certain U.S. securities laws applicable to Shareholders in the United States. All holders of such securities are urged to obtain legal advice to ensure that their resale of Aero Shares received pursuant to the Arrangement complies with applicable U.S. securities laws.

The securities to be issued in connection with the Arrangement to Shareholders have not been, and will not be, registered under the U.S. Securities Act or any applicable securities laws of any state of the United States. Such securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof. Section 3(a)(10) of the U.S. Securities Act provides an exemption from registration under the U.S. Securities Act for offers and sales of securities issued in exchange for one or more outstanding securities, claims or property interests where the terms and conditions of the issuance and exchange of such securities have been approved by a court authorized to grant such approval after a hearing upon the fairness of the terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued have the right to appear and to receive timely notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered. Accordingly, the Final Order, if granted by the Court, will constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the Aero Shares issuable to Shareholders and to the holders of Pegasus Options and Pegasus Warrants in connection with the Arrangement.

The ability of a Shareholder to resell the Aero Shares issued to it on the Effective Date of the Arrangement will depend on whether it is an "affiliate" of Aero after the Effective Date of the Arrangement or was an "affiliate" of Aero within 90 days prior to the Effective Date of the Arrangement. As defined in Rule 144 under the U.S. Securities Act, an "affiliate" of an issuer is a person that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such issuer. Typically, persons who are executive officers, directors or major shareholders of an issuer are considered to be its "affiliates". Persons that are not affiliates of Aero after the Effective Date of the Arrangement and were not affiliates of Aero within 90 days prior to the Effective Date of the Arrangement, may freely resell the Aero Shares issued to them on the Effective Date of the Arrangement under the U.S. Securities Act.

Persons that are affiliates of Aero after the Effective Date of the Arrangement or were affiliates of Aero within 90 days prior to the Effective Date of the Arrangement may resell such Aero Shares only pursuant to registration or an exemption from registration under the U.S. Securities Act and in accordance with any applicable securities laws of any state of the United States. Such persons are urged to consult with their own legal counsel to determine the circumstances in which the resale of Aero Shares issued to them pursuant to the Arrangement will comply with an exemption from such registration requirements.

Option holders and Warrant holders are advised that the exemption provided by Section 3(a)(10) of the U.S. Securities Act will not exempt the issuance of Aero Shares upon the exercise of the Pegasus Options or the Pegasus Warrants, whether prior to or after the Effective Date. Accordingly, such securities may be exercised in the United States, or by or on behalf of a U.S. Person, only if exemptions from the registration requirements of the U.S. Securities Act and any applicable securities laws of any state of the United States are available for such exercise.

The securities issuable in connection with the Arrangement have not been approved or disapproved by the SEC or the securities regulatory authorities in any state, nor has the SEC or the securities regulatory authorities in any state passed on the fairness or merits of the Arrangement or the

adequacy or accuracy of this Information Circular. Any representation to the contrary is a criminal offence.

LEGAL MATTERS

Certain legal matters in connection with the Arrangement will be reviewed for Pegasus by Morton.

Certain legal matters in connection with the Arrangement will be reviewed for Aero by Forooghian.

INFORMATION CONCERNING PEGASUS

AUDITORS

The auditors of Pegasus are Crowe Mackay LLP, Chartered Professional Accountants, of Suite 1100, 1177 W Hastings Street, Vancouver, BC, V6E 4T5.

ADDITIONAL INFORMATION

Additional information relating to Pegasus is available on SEDAR+ at www.sedarplus.ca. Shareholders may contact Christian Timmins, President, Chief Executive Officer and Director, by email at info@pegasusresourcesinc.com or by telephone at 403-597-3410 to request copies of Pegasus' financial statements and Management's Discussion and Analysis.

Pegasus' financial information is provided in Pegasus' financial statements and Management's Discussion and Analysis for the most recently completed financial period, which are available at www.sedarplus.ca and are not incorporated by reference into this Information Circular.

INFORMATION CONCERNING AERO

For further information concerning Aero before completion of the Arrangement, see Schedule "E" attached to this Information Circular. Additional information relating to the Company is available on the SEDAR+ website at www.sedarplus.ca.

INFORMATION CONCERNING AERO POST-ARRANGEMENT

For further information concerning Aero post-Arrangement, see Schedule "F" attached to this Information Circular. Additional information relating to the Company is available on the SEDAR+ website at www.sedarplus.ca.

INTERESTS OF EXPERTS

To the knowledge of Pegasus, as at the date hereof, Forooghian, Morton Law, RwE Growth Partners, Inc., and Jacob Anderson, CPG, MAusIMM, Resource Geologist with Dahrouge Geological Consulting USA Ltd., as applicable, the designated professionals (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) thereof, each as a group beneficially owned directly or indirectly, less than 1% of each of the outstanding Aero Shares and Pegasus Shares.

For information regarding the experts who have prepared certain sections of Schedule "E" to this Information Circular, or are named as having prepared or certified a report, statement or opinion in or incorporated by reference into Schedule "E" to this Information Circular, see "*Information Concerning Aero – Interests of Experts*" in Schedule "E".

ANNUAL GENERAL MEETING MATTERS

Presentation of Financial Statements

The annual consolidated financial statements of the Company for the financial year ended May 31, 2025, together with the auditor's report thereon, will be placed before the Meeting. The Company's financial statements are available on SEDAR+.

Election of Directors

The Company proposes to fix the number of directors of the Company at three (3) and to nominate the persons listed below for election as directors. Each director will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated. Management does not contemplate that any of the nominees will be unable to serve as a director. If, prior to the Meeting, any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the Proxy as nominee to vote the Pegasus Shares represented by Proxy for the election of any other person or persons as directors.

Pursuant to the advance notice provisions contained in the Company's articles (the "**Advance Notice Provisions**"), the Pegasus Board has determined that notice of nominations of persons for election to the Pegasus Board at the Meeting must be made following the requirements of such Advance Notice Provisions. As of the date of this Information Circular, the Company has not received notice of a nomination in compliance with the Company's articles and, subject to the timely receipt of any such nomination, any nominations other than nominations by or at the direction of the Pegasus Board or an authorized officer of the Company will be disregarded at the Meeting.

The following table sets out the names of the director nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Pegasus Shares that each beneficially owns or over which control or direction is exercised.

Name, Residence and Present Position within the Company	Director Since	Number of Pegasus Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Discretion is Exercised[1]	Principal Occupation[1]
Christian Timmins[2] Alberta, Canada *Director, President, CEO*	May 25, 2022	1,179,800	President and CEO of the Company.
Dave Bissoondatt British Columbia, Canada *Director, CFO*	December 19, 2011	367,000	CFO and Director of the Company.
Derrick Strickland[2] British Columbia, Canada *Director*	January 29, 2024	105,000[3]	Consulting Professional Geologist.

Notes:

(1) The information as to principal occupation, business or employment and Pegasus Shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective nominees. Unless otherwise stated above, any nominees named above have held the principal occupation or employment indicated for at least the five preceding years.

(2) Current member of the audit committee.

(3) Mr. Strickland beneficially owns, indirectly through Tyro Industries Corp., 85,000 common shares of the Company.

Except as otherwise disclosed below, to the knowledge of the Company, no proposed director of the Company is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

(a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of subsection (a) above, "**order**" means:

(i) a cease trade order;
(ii) an order similar to a cease trade order; or
(iii) an order that denied the relevant company access to any exemption under securities legislation;

that was in effect for more than 30 consecutive days.

Except as otherwise disclosed below, to the knowledge of the Company, no proposed director of the Company:

(a) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in the that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

(b) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director or executive officer;

(c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(d) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Appointment of Auditor

At the Meeting, Shareholders will be asked to vote for the appointment of Crowe Mackay LLP to serve as auditor of the Company for the fiscal year, and to hold such position until the next annual general meeting of the shareholders or until they are removed by the Pegasus Board or resign as provided by law, and to authorize the directors to fix their remuneration.

Approval of Stock Option Plan

Shareholders will be asked to approve the Company's 10% rolling stock option plan (the "**Stock Option Plan**") at the Meeting. In accordance with Policy 4.4 *Security Based Compensation* of the TSXV ("Policy 4.4"), "Rolling Up to 10% Plans" must receive shareholder approval yearly. The Company is therefore seeking shareholder approval of the Company's Stock Option Plan, which reserves a maximum of 10% of the issued shares of the Company at the time of any stock option grant. The purpose of the Stock Option Plan is to provide incentive to employees, directors, officers and consultants who provide services to the Company and to reduce the cash compensation the Company would otherwise have to pay.

The Stock Option Plan complies with the current policies of the TSXV under Policy 4.4. Under the Stock Option Plan, a maximum of 10% of the issued and outstanding shares of the Company are proposed to be reserved at any time for issuance on the exercise of stock options. As the number of shares reserved for issuance under the Stock Option Plan increases with the issue of additional shares of the Company, the Stock Option Plan is considered to be a "rolling up to 10%" stock option plan.

Management is seeking shareholder approval for the Stock Option Plan in accordance with and subject to the rules and policies of the TSXV. The Company last received shareholder approval for its Stock Option Plan at its annual general meeting of shareholders held on June 18, 2024.

Terms of the Stock Option Plan

The Stock Option Plan provides that the Pegasus Board may from time to time, in its discretion, and in accordance with the TSXV's requirements, grant to directors, officers, employees, management company employees and consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance does not exceed 10% of the common shares of the Company at the time of the stock option grant. Further, unless authorized by disinterested shareholder approval, the Stock Option Plan may not result in the issuance to "Insiders" (as defined in TSXV Policy 1.1 *Interpretation*), at any time, of a number of common shares exceeding 10% of the Company's issued and outstanding common shares, calculated on the date the option is granted, or the issuance to holders, within a one year period, of a number of common shares exceeding 10% of the common shares issued and outstanding, calculated on the date the option is granted. Individual stock option grants must comply with the terms of the Stock Option Plan and the policies of the TSXV as they relate to the minimum exercise price, hold periods and filing requirements.

The Stock Option Plan provides that:

(a) options will be non-assignable and non-transferable except that they will be exercisable by the personal representative of the option holder in the event of the option holder's death, if exercised within one year of the optionee's death;

(b) options may be exercisable for a maximum of 10 years from the date of grant;

(c) options under the Stock Option Plan (plus any other security based compensation of the Company) to acquire no more than 5% of the issued shares of the Company may be granted to any one individual in any 12 month period;

(d) options under the Stock Option Plan (plus any other security based compensation of the Company) to acquire no more than 2% of the issued shares of the Company may be granted to any one consultant in any 12 month period;

(e) options under the Stock Option Plan (plus any other security based compensation of the Company) to acquire no more than 2% of the issued shares of the Company may be granted to all persons (in aggregate) conducting "Investor Relations Activities" (as defined in TSXV Policy 1.1), in any 12 month period;

(f) disinterested shareholder approval must be obtained for any reduction in the exercise price, or extension of the term, if the optionee is an Insider of the Company;

(g) for stock options granted to employees, consultants or Management Company Employees (as defined in Policy 4.4), the Company and the optionee represent that the optionee is a bona fide employee, consultant or Management Company Employee, as the case may be;

(h) for stock options granted to any optionee who is a director, employee, consultant or Management Company Employee, the option must expire within a reasonable period following the date optionee ceases to be in that role (as set out in more detail below);

(i) the exercise price of an option granted under the Stock Option Plan shall not be less than the "Discounted Market Price" (as defined in TSXV Policy 1.1) at the time of granting the option. Options may not be granted which are exercisable at an exercise price that is less than a price permitted by the TSXV. An exercise price cannot be established until options are allocated to a particular optionee;

(j) options granted to persons engaged in Investor Relations Activities will vest in stages over a minimum period of 12 months with no more than one-quarter of the options vesting in any three month period, or as otherwise prescribed by Policy 4.4. These vesting parameters may not be accelerated without prior TSXV approval; and

(k) upon the exercise of an option, an optionee shall pay to the Company the exercise price of the option, in cash or by certified cheque, unless the optionee is utilizing the cashless exercise feature, described below:

If an optionee is a director of the Company and ceases to be director for any reason other than death, such optionee shall have the right to exercise any options not exercised prior to such termination within a reasonable period of time after the date of termination, as set out in the optionee's option certificate, such reasonable period not to exceed one year after termination. However, if the optionee ceases to be a director as a result of: (i) ceasing to meet the qualifications set forth in the *Business Corporations Act* (British Columbia); (ii) his or her removal as a director pursuant to the *Business Corporations Act* (British Columbia); or (iii) an order made by any regulatory authority having jurisdiction to so order; the expiry date shall be the date the optionee ceases to be a director of the Company.

If an optionee is an officer, employee, Management Company Employee or consultant and ceases to be an officer, employee, Management Company Employee or consultant for any reason other than death, such optionee shall have the right to exercise any options not exercised prior to such termination within a reasonable period of time after the date of termination, as set out in the optionee's option certificate, such reasonable period not to exceed one year after termination. However, if the optionee ceases to be: (i) an officer or employee as a result of termination for cause; (ii) a Management Company Employee of a as a result of termination for cause; or (iii) an officer, employee, Management Company Employee or consultant as a result of an order made by any regulatory authority having jurisdiction to so order; the expiry date shall be the date the optionee ceases to be a officer, employee, Management Company Employee or consultant of the Company, as the case may be.

If a director, officer, consultant, employee, or Management Company Employee dies prior to the expiry of their options, their legal representatives may, within the lesser of one year from the date of the optionee's death or the expiry date of the particular options, exercise options granted to the optionee under the Stock Option Plan which remain outstanding.

Shareholders will be asked at the Meeting to approve, with or without variation, the following ordinary resolution (the "**Plan Resolution**"):

"BE IT RESOLVED as an ordinary resolution THAT:

(a) the Company's stock option plan (the "**Plan**") be and is hereby confirmed and approved, and that in connection therewith a maximum of 10% of the Company's issued and outstanding common shares at the time of each grant be approved for granting as awards;

(b) the Pegasus Board be authorized in its absolute discretion to administer the Plan, and amend or modify the Plan in accordance with its terms and conditions and with the policies of the TSX Venture Exchange; and

(c) any director or officer of the Company be authorized and directed to do all acts and things and to execute and deliver all documents required, as in the opinion of such director or officer may be necessary or appropriate in order to give effect to this resolution."

The Pegasus Board recommends that Shareholders approve the Plan Resolution. If the Plan Resolution is approved by Shareholders, the Directors will have the authority, in their sole discretion, to implement or revoke the Plan Resolution and otherwise implement or abandon the Plan.

ANY OTHER MATTERS

Management of the Company knows of no matters to come before the Meeting other than those referred to in the Notice accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of Proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Information Circular:

"**CEO**" means the Company's chief executive officer;

"**CFO**" means the Company's chief financial officer;

"**Named Executive Officer**" or "**NEO**" means:

(a) the CEO;

(b) the CFO;

(c) in respect of the Company and its subsidiaries, the most highly compensated executive officer, other than the CEO and the CFO at the end of the most recently completed financial year whose total compensation was more than $150,000 for that financial year; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

As at May 31, 2025, the end of the most recently completed financial period of the Company, the Company had two NEOs, whose names and positions held within the Company are set out in the summary compensation table below.

Director and Named Executive Officer Compensation

The following table is a summary of compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and director, for each of the two most recently completed financial years, other than stock options and other compensation securities.

Table of compensation excluding compensation securities							
Name and position	**Year Ended May 31**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Christian Timmins *President, CEO, and Director*	2025	174,000	Nil	Nil	Nil	14,690	188,690
	2024	120,000	Nil	Nil	Nil	15,965	135,965
Dave Bissoondatt *CFO and Director*	2025	135,000	Nil	Nil	Nil	7,345	142,345
	2024	84,000	Nil	Nil	Nil	46,078	130,078
Derrick Strickland *Director*	2025	12,000	Nil	Nil	Nil	4,407	16,407
	2024	4,000	Nil	Nil	Nil	24,934	28,934
Noah Komavli[(1)] *Former Director*	2025	15,000	Nil	Nil	Nil	Nil	15,000
	2024	22,000	Nil	Nil	Nil	Nil	22,000
Lorne Mcarthy[(2)] *Former Director*	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	2,500	Nil	Nil	Nil	Nil	2,500

Notes:

1. Noah Komavli ceased to be a director of the Company effective October 29, 2025.
2. Lorne Mcarthy ceased to be a director of the Company effective February 1, 2024.

Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued to each director or NEO of the Company, or any subsidiary thereof, in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Name and position	Type of compen-sation security	Number of compen-sation securities	Date of issue or grant	Issue, conversion or exercise price ($)	Expiry Date
Christian Timmins *President, CEO, and Director*	Stock Options	250,000	2025-05-13	$0.08	2028-05-13
Derrick Strickland *Director*	Stock Options	75,000	2025-05-13	$0.08	2028-05-13

No compensation securities were exercised by the directors or NEOs during the most recently completed financial year.

Stock option plans and other incentive plans

See “Approval of Stock Option Plan” above for the material terms of the Stock Option Plan. The Stock Option Plan will be placed before the Meeting for Shareholder approval.

Employment, consulting and management agreements

The Company did not have any contracts, agreements, plans or arrangements that provided for payments to a director or NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO’s responsibilities during the most recently completed financial year.

Oversight and description of director and named executive officer compensation

The objective of the Company’s compensation program is to compensate the executive officers for their services to the Company at a level that is both in line with the Company’s fiscal resources and competitive with companies at a similar stage of development.

The Company compensates its executive officers based on their skill and experience levels and the existing stage of development of the Company. Executive officers are rewarded on the basis of the skill and level of responsibility involved in their position, the individual’s experience and qualifications, the Company’s resources, industry practice, and regulatory guidelines regarding executive compensation levels.

The Pegasus Board has implemented three levels of compensation to align the interests of the executive officers with those of the Shareholders. First, executive officers may be paid a monthly consulting fee or salary. Second, the Pegasus Board may award executive officers long term incentives in the form of stock options. Finally, and only in special circumstances, the Pegasus Board may award cash or share bonuses for

exceptional performance that results in a significant increase in shareholder value. The Company does not provide medical, dental, pension or other benefits to the executive officers.

The base compensation of the executive officers is reviewed and set annually by the Pegasus Board. The CEO has substantial input in setting annual compensation levels. The CEO is directly responsible for the financial resources and operations of the Company. In addition, the CEO and the Pegasus Board from time to time determine the stock option grants to be made pursuant to the Company's Plan. Previous grants of stock options are taken into account when considering new grants. The Pegasus Board awards bonuses at its sole discretion. The Pegasus Board does not have pre-existing performance criteria or objectives.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company's financial resources and prospects.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of the end of the Company's most recently completed financial year (ended May 31, 2025) with respect to compensation plans under which equity securities of the Company are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuances under equity compensation plan (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (stock option plan)	3,510,000	$0.17	19,866
Equity compensation plans not approved by security holders	N/A	N/A	N/A
TOTAL:	3,510,000	$0.17	19,866

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers, employees, proposed nominees for election as directors and their associates, or any former executive officers, directors and employees of the Company or any of its subsidiaries, is, as at the date of this Information Circular, or has been at any time during the most recently completed financial year, indebted to the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, since the commencement of the Company's most recently completed financial year, no informed person (a director, officer or holder of 10% or more of the Pegasus Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction that has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

Management functions of the Company or any of its subsidiaries are not to any substantial degree performed by anyone other than by the directors or executive officers of the Company or the subsidiary. See "Employment, consulting and management agreements" above.

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance

Corporate governance relates to the activities of the Pegasus Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Pegasus Board and charged with the day to day management of the Company. The Canadian Securities Administrators ("**CSA**") have adopted National Policy 58-201 Corporate Governance Guidelines, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), which prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

The Pegasus Board currently consists of the following three members: Christian Timmins, Dave Bissoondatt, and Derrick Strickland. It is proposed that all three individuals will be nominated for election at the Meeting.

There is currently one member of the Pegasus Board, Derrick Strickland, who is considered to be independent for purposes of membership on the Pegasus Board. For this purpose, a director is independent if he has no direct or indirect "material relationship" with the Company. A "material relationship" is a relationship which could, in the view of the Pegasus Board, be reasonably expected to interfere with the exercise of the director's independent judgment. Of the proposed nominees, Christian Timmins (CEO) and Dave Bissoondatt (CFO) are considered to be non-independent directors.

Other Directorships

None of the directors or proposed directors of the Company are directors of any other reporting issuers as at the Record Date.

Orientation and Continuing Education

Orientation of new members of the Pegasus Board is conducted informally by management and members of the Pegasus Board. The Company has not adopted formal policies respecting continuing education for Pegasus Board members.

Ethical Business Conduct

The Pegasus Board has adopted a formal written code of business conduct and ethics. The Pegasus Board is of the view that the fiduciary duties placed on individual directors by the Company's governing legislation and common law together with corporate statutory restrictions on an individual director's participation in Pegasus Board decisions in which the director has an interest are sufficient to ensure that the Pegasus Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Pegasus Board considers its size each year when it considers the number of directors to recommend to the Shareholders for election at the annual general meeting. The Pegasus Board takes into account the number of directors required to carry out the Pegasus Board's duties effectively and to maintain diversity of views and experience.

The Pegasus Board has not established a nominating committee; this function is currently performed by the Pegasus Board as a whole. The Pegasus Board encourages an objective nomination process through collective communication among the directors.

Compensation

The Pegasus Board has not established a formal compensation committee. Rather, the independent Pegasus Board members are responsible for reviewing and determining the adequacy and form of compensation paid to the Company's directors, executives and key employees. The independent Pegasus Board members evaluate the performance of senior management measured against the Company's business goals and industry compensation levels.

Pegasus Board Committees

The Pegasus Board has no committees other than the Audit Committee.

Assessments

The Pegasus Board annually, and at such other times as it deems appropriate, reviews the performance and effectiveness of the Pegasus Board, the directors and its committees to determine whether changes in size, personnel or responsibilities are warranted. To assist in its review, the Pegasus Board conducts informal surveys of its directors and receives reports from each committee respecting its own effectiveness. As part of the assessments, the Pegasus Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

AUDIT COMMITTEE

Audit Committee Disclosure

Pursuant to section 224(1) of the *Business Corporations Act* (British Columbia) and National Instrument 52-110 *Audit Committees* ("**NI 52-110**") the Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

The primary function of the Audit Committee is to assist the Pegasus Board in fulfilling its financial oversight responsibilities by: (i) reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders; (ii) reviewing the systems for internal corporate controls which have been established by the Pegasus Board and management; and (iii) overseeing the Company's financial reporting processes generally. In meeting these responsibilities, the Audit Committee monitors the financial reporting process and internal control system; reviews and appraises the work of external auditors and provides an avenue of communication between the external auditors, senior management and the Pegasus Board. The Audit Committee is also mandated to review and approve all material related party transactions.

The Audit Committee's Charter

The Company has adopted a Charter of the Audit Committee, a copy of which is attached hereto as Schedule "I".

Composition of the Audit Committee

The Audit Committee is currently comprised of the following members: Christian Timmins, Dave Bissoondatt, and Derrick Strickland. Each member of the Audit Committee is considered to be financially literate, as defined by NI 52-110, in that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements. Each member of the Audit Committee is considered to be independent except for Mr. Timmins, CEO of the Company, and Mr. Bissoondatt, CFO of the Company. An audit committee member is independent if they have no direct or indirect "material relationship" with the Company. A "material relationship" is a relationship which could, in the view of the Pegasus Board, be reasonably expected to interfere with the exercise of a member's independent judgement.

The members of the Audit Committee are elected by the Pegasus Board at its first meeting following the annual shareholders' meeting. Unless a chair is elected by the full Pegasus Board, the members of the Audit Committee designate a chair by a majority vote of the full Audit Committee membership.

Relevant Education and Experience

All three current Audit Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements and are therefore considered "financially literate".

Christian Timmins – Mr. Timmins is an entrepreneur and investor with over two decades of expertise in the metals, mining, oil and gas, and technology sectors. Throughout his career, he has contributed significantly to the growth and success of numerous companies, demonstrating versatility through various leadership positions and service on multiple public company boards. In addition to his entrepreneurial endeavors, Mr. Timmins has developed a strong track record in project management, business development, and operational leadership. He previously held senior roles at prominent energy firms, overseeing projects valued at over $300 million. Renowned for guiding large-scale initiatives and building cohesive teams, he continues to excel in both entrepreneurship and investment. Now serving as Chief Executive Officer, Mr. Timmins remains a driving force in shaping strategic direction and delivering results across a wide array of ventures.

Dave Bissoondatt - Mr. Bissoondatt has over 35 years of experience with companies involved in the public markets. He has held the positions as Director and as Corporate Secretary in various companies traded on the TSX Venture Exchange and the Canadian Securities Exchange. He has also served on the Audit Committee in some of the companies. He has provided corporate governance and regulatory compliance services for TSX Venture and CSE listed companies since 2015. He works closely with the company's legal counsel and CEO in maintaining corporate records and managing daily operations and ensuring the company's filings with the securities commissions and exchanges are filed and in accordance with their deadlines.

Derrick Strickland - Derrick Strickland, P. Geo, MBA, has over 35 years of involvement in all aspects of the exploration industry, actively working as a geological and corporate advisor. Mr. Strickland has been self-employed for over 23 years. He is an experienced leader, founder, director, CEO, and Vice President to over 20 publicly traded companies. His work over the last three decades has been on six continents, specializing in remote locations, instituting quality assurance programs, provision of on the ground geological technical execution and know-how, and expertise for both private and publicly traded resource companies. He has extensive practice in the areas of corporate governance, current regulatory regimes, compliance, and disclosure matters (NI 43-101). Mr. Strickland's international exposure encompasses a

range of commodities, including base metals, gold, uranium, diamonds, potash and copper in numerous deposit types and settings, with an eye to other specialty minerals and unique opportunities. Mr. Strickland's diverse experience makes him an asset in all geological and cultural settings. Mr. Strickland's extensive network and industry engagement has seen him elected as a past director of both the Prospectors & Developers Association of Canada (PDAC) and the Association for Mineral Exploration B.C. (AME).

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Pegasus Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 6.1.1(4), (5) and (6) provide exemptions in certain circumstances from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the venture issuer. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Pegasus Board, and where applicable the Audit Committee, on a case-by-case basis.

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to its auditor in respect of each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees[(1)]	All Other Fees
May 31, 2025	$38,000	$646	-	-
May 31, 2024	$52,000	$972	-	-

Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (R*eporting Obligations*) of NI 52-110.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available on the SEDAR+ website located at www.sedarplus.ca under “Company Profiles – Pegasus Resources Inc.” The Company’s financial information is provided in the Company’s audited financial statements and related management discussion and analysis for its most recently completed financial year and may be viewed on the SEDAR+ website at the location noted above and are not incorporated by reference into this Information Circular. Shareholders of the Company may request copies of the Company’s financial statements and related Management Discussion and Analysis by contacting the Company at Suite 700 – 838 West Hastings Street, Vancouver, BC, V6C 0A6, or by telephone at 403-597-3410.

APPROVAL OF PEGASUS RESOURCES INC.

The contents and mailing to Shareholders of this Information Circular have been approved by the Pegasus Board.

Dated at Vancouver, British Columbia on March 27, 2026

(Signed) "Christian Timmins"
Christian Timmins
President, Chief Executive Officer and Director

SCHEDULE "A"

ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The arrangement (as it may be modified or amended, the "**Arrangement**") under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) involving Pegasus Resources Inc. (the "**Company**"), shareholders of the Company (the "**Company Shareholders**"), and Aero Energy Limited (the "**Purchaser**"), all as more particularly described and set forth in the plan of arrangement (as it may be amended, modified or supplemented, the "**Plan of Arrangement**") attached as Schedule "A" to the Management Information Circular of the Company dated March 27, 2026 (the "**Information Circular**"), and all transactions contemplated thereby, are hereby authorized, approved and adopted.

2. The Arrangement Agreement dated as of February 27, 2026, between the Company and the Purchaser, as it may be amended, modified or supplemented from time to time (the "**Arrangement Agreement**"), and the transactions contemplated therein, the actions of the directors of the Company in approving the Arrangement and the Arrangement Agreement and the actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement and causing the performance by the Company of its obligations thereunder are hereby confirmed, ratified, authorized and approved.

3. The Company is hereby authorized to apply for a final order from the Supreme Court of British Columbia (the "**Court**") to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement.

4. Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by the Company Shareholders or that the Arrangement has been approved by the Court, the directors of the Company are hereby authorized and empowered without further notice to or approval of the Company Shareholders (i) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or Plan of Arrangement, and (ii) not to proceed with the Arrangement at any time prior to the Effective Time (as defined in the Arrangement Agreement).

5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the security holders of the Company entitled to vote thereon or that the Arrangement has been approved by the Court, the directors of the Company are hereby authorized and empowered, at their discretion, without further notice to or approval of the security holders of the Company: (i) to amend or modify the Arrangement Agreement or the Plan of Arrangement, to the extent permitted by their terms; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and any related transactions.

6. Any director or officer of the Company is hereby authorized, empowered and instructed, acting for, in the name and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.

SCHEDULE "B"

PLAN OF ARRANGEMENT

[see attached]

EXHIBIT A
TO THE ARRANGEMENT AGREEMENT

PLAN OF ARRANGEMENT

UNDER DIVISION 5 OF PART 9 OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Plan of Arrangement, unless the context otherwise requires, the following words and terms with the initial letter or letters thereof capitalized will have the meanings ascribed to them below and grammatical variations of those words and terms shall have corresponding meanings:

(a) "**Arrangement**" means the arrangement of the Company under Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Purchaser and the Company, each acting reasonably;

(b) "**Arrangement Agreement**" means the arrangement agreement dated as of February 27, 2026, between the Purchaser and the Company, together with the disclosure letter delivered by the Company in connection with the Arrangement Agreement, as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms thereof;

(c) "**Arrangement Resolution**" means the special resolution of the Company Shareholders approving the Arrangement to be considered at the Company Meeting, substantially in the form and content of Exhibit B to the Arrangement Agreement;

(d) "**BCBCA**" means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as promulgated or amended from time to time;

(e) "**Business Day**" means any day other than a Saturday, a Sunday or a day observed as a holiday in Vancouver, British Columbia under the laws of the Province of British Columbia or the federal laws of Canada applicable therein;

(f) "**Company**" means Pegasus Resources Inc., a company existing under the BCBCA;

(g) "**Company Circular**" means the notice of meeting and accompanying management information circular (including all schedules, appendices and exhibits thereto, and information incorporated by reference therein) to be sent to the

Company Shareholders in connection with the Company Meeting, including any amendments or supplements thereto;

(h) "**Company Meeting**" means the special meeting of the Company Shareholders, including any adjournment or postponement thereof, to be held in accordance with the Interim Order for the purpose of considering and, if thought fit, approving the Arrangement Resolution;

(i) "**Company Option Plan**" means the Company's stock option plan dated December 22, 2022;

(j) "**Company Optionholder**" means a holder of one or more Company Options;

(k) "**Company Options**" means options to acquire Company Shares granted pursuant to or otherwise subject to the Company Option Plan;

(l) "**Company Shareholder**" means a holder of one or more Company Shares;

(m) "**Company Shares**" means the common shares in the capital of the Company;

(n) "**Company Warrantholder**" means a holder of one or more Company Warrants;

(o) "**Company Warrants**" means all of the issued and outstanding common share purchase warrants of the Company;

(p) "**Consideration**" means 0.133 Purchaser Shares for each Company Share;

(q) "**Depositary**" means Computershare Trust Company of Canada or any other trust company, bank or other financial institution agreed to in writing by each of the Company and the Purchaser, acting reasonably, for the purpose of, among other things, exchanging certificates representing Company Shares for the Consideration in connection with the Arrangement;

(r) "**Director**" shall have the meaning ascribed to such term in the BCBCA;

(s) "**Dissent Rights**" has the meaning set out in Section 4.1;

(t) "**Dissenting Company Shareholder**" means a registered Company Shareholder who has duly exercised a Dissent Right and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of Company Shares in respect of which Dissent Rights are validly exercised by such Company Shareholder;

(u) "**DRS**" means a statement issued under the Direct Registration System;

(v) "**Effective Date**" means the date designated by the Purchaser and the Company by notice in writing as the effective date of the Arrangement, after the satisfaction or waiver (subject to applicable Laws) of all of the conditions to completion of the

Arrangement as set forth in the Arrangement Agreement (excluding conditions that by their terms cannot be satisfied until the Effective Date) and delivery of all documents agreed to be delivered thereunder to the satisfaction of the parties thereto, acting reasonably, and in the absence of such agreement, three Business Days following the satisfaction or waiver (subject to applicable Laws) of all conditions to completion of the Arrangement as set forth in the Arrangement Agreement (excluding conditions that by their terms cannot be satisfied until the Effective Date);;

(w) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date or such other time as Parties may agree upon in writing;

(x) "**Exchange Ratio**" means 0.133;

(y) "**Final Order**" means the order of the Court approving the Arrangement under Section 291(4) of the BCBCA, after being informed of the intention to rely upon the exemption from registration pursuant to Section 3(a)(10) of the U.S. Securities Act with respect to the Consideration Shares and Replacement Options issued pursuant to the Arrangement, in form and substance acceptable to the Company and the Purchaser, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of each of the Parties, each acting reasonably) at any time prior to the Effective Date or, if appealed, as affirmed or amended (provided that any such amendment, modification, supplement or variation is acceptable to each of the Parties, each acting reasonably) on appeal unless such appeal is withdrawn, abandoned or denied;

(z) "**Former Company Shareholders**" means the Company Shareholders immediately prior to the Effective Time;

(aa) "**Governmental Authority**" means: (a) any international, multinational, federal, provincial, territorial, state, regional, municipal, local or other government or governmental body and any division, agent, official, agency, commission, board or authority of any government, governmental body, quasi-governmental or private body exercising any statutory, regulatory, expropriation or taxing authority under the authority of any of the foregoing; (b) any domestic, foreign or international judicial, quasi-judicial or administrative court, tribunal, commission, board, panel or arbitrator acting under the authority of any of the foregoing; and (c) any stock exchange, including the TSXV;

(bb) "**Interim Order**" means the interim order of the Court to be issued following the application therefor submitted to the Court pursuant to Section 291(2) of the BCBCA as contemplated by the Arrangement Agreement, after being informed of the intention to rely upon the exemption from registration pursuant to Section 3(a)(10) of the U.S. Securities Act with respect to the Consideration Shares and the Replacement Options issued pursuant to the Arrangement, in form and substance

acceptable to both the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as such order may be affirmed, amended, modified, supplemented or varied by the Court with the consent of each of the Company and the Purchaser, each acting reasonably;

(cc) "**Laws**" means all laws, statutes, codes, ordinances (including zoning), decrees, rules, regulations, by-laws, notices, judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, settlements, writs, assessments, arbitration awards, rulings, determinations or awards, decrees or other requirements, including applicable United States federal and state laws, of any Governmental Authority having the force of law and any legal requirements arising under the common law or principles of law or equity and the term "applicable" with respect to such Laws and, in the context that refers to any person, means such Laws as are applicable at the relevant time or times to such person or its business, undertaking, property or securities and emanate from a Governmental Authority having jurisdiction over such person or its business, undertaking, property or securities;

(dd) "**Letter of Transmittal**" means the letter of transmittal to be delivered by the Company to the Company Shareholders providing for the delivery of Company Shares to the Depositary;

(ee) "**Liens**" means any pledge, claim, lien, charge, option, hypothec, mortgage, security interest, restriction, adverse right, prior assignment, lease, sublease, royalty, levy, right to possession or any other encumbrance, easement, license, right of first refusal, covenant, voting trust or agreement, transfer restriction under any shareholder or similar agreement, right or restriction of any kind or nature whatsoever, whether contingent or absolute, direct or indirect, or any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;

(ff) "**Parties**" means the parties to the Arrangement Agreement;

(gg) "**Purchaser Option Plan**" means the Purchaser's amended and restated stock option plan dated for reference December 8, 2022;

(hh) "**Purchaser Shares**" means common shares in the capital of the Purchaser;

(ii) "**Replacement Option**" has the meaning set out in Section 3.2;

(jj) "**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

(kk) "**TSXV**" means the TSX Venture Exchange;

(ll) "**United States**" or "**U.S.**" means, as the context requires, the United States of America, its territories or possessions, any state of the United States, and/or the District of Columbia; and

(mm) "**U.S. Securities Act**" means the *United States Securities Act of 1933*, as amended and the rules and regulations promulgated thereunder.

Any capitalized terms used but not defined herein will have the meaning ascribed to such terms in the Arrangement Agreement. In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein or in the Arrangement Agreement will have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.2 Interpretations not Affected by Headings

The division of this Plan of Arrangement into Articles, Sections and other portions and the insertion of headings are for convenience of reference only and will not affect its construction or interpretation. Unless stated otherwise, all references to an "Article" and "Section" followed by a number and/or a letter refer to the specified Article or Section of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein", "hereto", "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto.

1.3 Number, Gender and Persons

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular will include the plural and *vice versa* and the word person and words importing persons will include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

1.4 Date for any Action

If the date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day.

1.5 Statutory References

Any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

1.6 Currency

Unless otherwise stated, all references herein to amounts of money are expressed in lawful money of Canada.

1.7 Governing Law

This Plan of Arrangement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

ARTICLE 2
ARRANGEMENT AGREEMENT AND BINDING EFFECT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, is subject to the provisions of, and forms part of the Arrangement Agreement, except in respect of the sequence of the steps, transactions and events comprising the Arrangement, which will occur in the order set forth herein. If there is any conflict between the provisions of this Plan of Arrangement and the provisions of the Arrangement Agreement regarding the Arrangement, the provisions of the Plan of Arrangement shall govern..

2.2 Binding Effect

As of and from the Effective Time, this Plan of Arrangement will become effective at the Effective Time and will be binding upon the Purchaser, the Company, the Company Shareholders, the Dissenting Company Shareholders, the Company Optionholders, the Company Warrantholders, the registrar and transfer agent of the Company, the Depositary and all other persons at and after the Effective Time without any further act or formality required on the part of any person.

ARTICLE 3
ARRANGEMENT

3.1 Arrangement

Commencing at the Effective Time on the Effective Date, each of the steps, transactions and events set out below will occur and be deemed to occur in the following sequence, in each case effective at one-minute intervals starting at the Effective Time, without any further authorization, act or formality or by the Company, the Purchaser or any other person:

(a) each Company Share held by a Dissenting Company Shareholder, who has validly exercised their Dissent Rights and which Dissent Rights remain valid immediately prior to the Effective Time, will be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens, to the Company for cancellation and the Company will thereupon be obliged to pay (using its own funds and not funds provided directly or indirectly by the Purchaser) the amount therefor determined and payable in accordance with Article 4, less applicable withholdings pursuant to Section 5.4, and:

(i) each such Dissenting Company Shareholder will cease to be the holder of such Company Shares and to have any rights as a Company Shareholder other than the right to be paid the fair value for such Company Shares as set out in Article 4;

(ii) the name of such holder will be removed from the central securities register of the Company as a Company Shareholder and such Company Shares will be cancelled; and

(iii) the capital account maintained by the Company in respect of the Company Shares will be reduced by an amount equal to the product obtained when (A) the amount of the capital account in respect of the Company Shares immediately prior to the Effective Time, is multiplied by (B) a fraction, the numerator of which is the number of Company Shares transferred and cancelled pursuant to this Section 3.1 and the denominator of which is the number of Company Shares outstanding immediately prior to the Effective Time; and

(b) each Company Share held by a Former Company Shareholder (other than the Purchaser, any subsidiary of the Purchaser or a Dissenting Company Shareholder) immediately prior to the Effective Time will be, and will be deemed to be, transferred to the Purchaser (free and clear of any Liens), in exchange for the Consideration, and:

(i) the holders of such Company Shares will cease to be the holders thereof and to have any rights as holders of such Company Shares other than the right to be paid the Consideration per Company Share in accordance with this Plan of Arrangement;

(ii) such holders' names will be removed from the register of Company Shareholders maintained by or on behalf of the Company; and

(iii) the Purchaser will be deemed to be the transferee and the legal and beneficial holder of such Company Shares (free and clear of any Liens) and the register of Company Shareholders maintained by or on behalf of the Company will be, and will be deemed to be, revised accordingly.

3.2 Company Options

In accordance with and under the terms of each of the Company Options and the Company Option Plan, each Company Option which is outstanding and has not been duly exercised prior to the Effective Time will be exchanged (the time of such exchange being the "**Option Exchange Time**") for an option (each, a "**Replacement Option**") to purchase from the Purchaser such number of Purchaser Shares, in each case equal to (A) that number of Company Shares that were issuable upon exercise of such Company Option immediately prior to the Option Exchange Time, multiplied by (B) the Exchange Ratio, rounded down to the nearest whole number of Purchaser Shares. Each Replacement Option will provide for an exercise price per Purchaser Share (rounded up to the nearest whole cent) equal to the exercise price per Company Share that would otherwise be payable pursuant to the Company Option it replaces, divided by the Exchange Ratio. All terms and conditions of a Replacement Option, including conditions to and manner of exercising, will be the same as the Company Option for which it was exchanged, and will be governed by the terms of the Purchaser Option Plan and any document previously evidencing the Company Option will

thereafter evidence and be deemed to evidence such Replacement Option (when read with all necessary modifications to give effect to this Arrangement).

3.3 Company Warrants

In accordance with and under the terms of each of the Company Warrants, each Company Warrantholder will be entitled to receive (and such Company Warrantholder will accept) upon the exercise of such Company Warrantholder's Company Warrant, in lieu of Company Shares to which such Company Warrantholder was theretofore entitled upon such exercise, and for the same aggregate consideration payable therefor, the Consideration which the Company Warrantholder would have been entitled to receive as a result of the transactions contemplated by this Arrangement if, immediately prior to the Effective Date, such Company Warrantholder had been the registered holder of the number of Company Shares to which such Company Warrantholder would have been entitled if such Company Warrantholder had exercised such holder's Company Warrants immediately prior to the Effective Time. Each Company Warrant will continue to be governed by and be subject to the terms of the applicable Company Warrant certificate, subject to any supplemental exercise documents issued by the Purchaser to holders of Company Warrants to facilitate the exercise of the Company Warrants and the payment of the corresponding portion of the exercise price thereof. Company Warrantholders will be advised that securities issuable upon the exercise of the Company Warrants, if any, have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws, and may be issued only pursuant to an effective registration statement or a then available exemption or exclusion from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws, if any.

3.4 Effective Time Procedures

(a) Following the receipt of the Final Order and prior to the Effective Date, the Purchaser will deliver or arrange to be delivered to the Depositary, certificates or DRS representing the Consideration required to be issued to Former Company Shareholders, which certificates or DRS will be held by the Depositary as agent and nominee for such Former Company Shareholders, for distribution to such Former Company Shareholders, in accordance with the provisions of Article 5.

(b) Subject to the provisions of Article 5, and upon return of a properly completed Letter of Transmittal by a registered Former Company Shareholder, together with certificates or DRS representing Company Shares and such other documents as the Depositary may require, Former Company Shareholders will be entitled to receive delivery of the certificates or DRS representing the Consideration, to which they are entitled pursuant to Section 3.1.

3.5 No Fractional Shares

In no event will any holder of Company Shares be entitled to a fractional Purchaser Share and no cash will be paid in lieu thereof. Where the aggregate number of Purchaser Shares to be issued to a Company Shareholder as Consideration under the Arrangement would result in a fraction of a Purchaser Share being issuable, the number of Purchaser Shares to be received by such Company

Shareholder will be rounded down to the nearest whole Purchaser Share and no person will be entitled to any compensation in respect of a fractional share.

3.6 Purchaser Shares

All Purchaser Shares issued pursuant hereto will be deemed to be validly issued and outstanding as fully paid and non-assessable shares.

3.7 Effective Time of Arrangement

The exchanges, issuances and cancellations provided for in Section 3.1 will be deemed to occur on the Effective Date at the time and in the order specified in Section 3.1, notwithstanding that certain of the procedures related thereto are not completed until after such time.

ARTICLE 4
DISSENT RIGHTS

4.1 Dissent Rights

Pursuant to the Interim Order, each registered Company Shareholder as of the record date for the Company Meeting may exercise rights of dissent ("**Dissent Rights**") in respect of all Company Shares held by such holder as a registered holder thereof as of such date in connection with the Arrangement pursuant to and in strict compliance with the procedures set forth in Division 2 of Part 8 of the BCBCA, as modified by this Section 4.1, the Interim Order and the Final Order, provided that the written notice of dissent setting forth the objection of such registered Company Shareholder to the Arrangement Resolution contemplated by Section 242(1) of the BCBCA must be received by the Company from registered Company Shareholders that wish to dissent not later than 5:00 p.m. (Vancouver time) on the date that is two Business Days before the date of the Company Meeting or any date to which the Company Meeting may be postponed or adjourned and provided further that holders who purport to exercise such rights of dissent and who:

(a) are ultimately entitled to be paid fair value by the Company for the Company Shares in respect of which they have exercised Dissent Rights: (i) will be deemed not to have participated in the transactions in Article Three (other than Section 3.1(a)); (ii) will be entitled to be paid the fair value of such Company Shares by the Company (using Company's own funds not funds directly or indirectly provided by Purchaser or its affiliates), which fair value, notwithstanding anything to the contrary contained in Sections 244 and 245 of the BCBCA, shall be determined as of the close of business on the Business Day immediately preceding the date on which the Arrangement Resolution was adopted, less applicable withholdings pursuant to Section 5.4; (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement if such Dissenting Company Shareholder had not exercised its Dissent Rights in respect of such Company Shares and (iv) will be deemed to have transferred and assigned their Company Shares (free and clear of all Liens) to the Company pursuant to Section 3.1(a) in consideration for such fair value; or

(b) are ultimately determined to be not entitled, for any reason, to be paid fair value for their Company Shares in which they have purported to exercise Dissent Rights will be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non- dissenting Company Shareholder and will be entitled to receive only the consideration contemplated in Section 3.1(b) that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Rights,

In no case will the Purchaser, the Company or any other person be required to recognize any Dissenting Company Shareholder as a holder of Company Shares in respect of which Dissent Rights have been validly exercised after the completion of the transfer under Section 3.01(a), and each Dissenting Company Shareholder will cease to be entitled to the rights of a Company Shareholder in respect of the Company Shares in respect of which they have exercised Dissent Rights. The name of such Dissenting Company Shareholder shall be removed from the register of Company Shareholders as to those Company Shares in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 3.1(a) occurs. In addition to any other restrictions under Division 2 of Part 8 of the BCBCA, none of the following persons shall be entitled to exercise Dissent Rights: (i) any holder of Company Options or Company Warrants; (ii) any Company Shareholder who votes or has instructed a proxyholder to vote such Company Shareholder's Company Shares in favour of the Arrangement Resolution (but only in respect of such Company Shares); and (iii) any beneficial Company Shareholder.

ARTICLE 5
CERTIFICATES AND PAYMENTS

5.1 Delivery of Consideration

(a) On the Effective Date, each Former Company Shareholder (other than Dissenting Company Shareholders) will, following completion of the transactions described in Section 3.1, be entitled to receive, and the Depositary will, subject to Section 5.1(b), deliver to such Former Company Shareholder following the Effective Time, certificates or DRS representing the Consideration that such Former Company Shareholder is entitled to receive in accordance with Section 3.1.

(b) Upon surrender to the Depositary of a certificate or DRS that immediately before the Effective Time represented one or more outstanding Company Shares that were exchanged for Consideration in accordance with Section 3.1, together with a duly completed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require and such other documents and instruments as would have been required to effect the transfer of the Company Shares formerly represented by such certificate or DRS under the terms of such certificate or DRS, the BCBCA, the *Securities Transfer Act* (British Columbia) and the articles and notice of articles of the Company, the former holder of such Company Shares shall be entitled to receive in exchange therefor, and the Depositary will deliver to such holder following the Effective Time, or make available for pick up at its offices during normal business hours, certificates or DRS representing the Consideration that such holder is entitled to receive in accordance with Section 3.1.

(c) After the Effective Time and until surrendered as contemplated by Section 5.1(b), each certificate or DRS that immediately prior to the Effective Time represented one or more Company Shares following completion of the transactions described in Section 3.1, will be deemed at all times to represent only the right to receive in exchange therefor certificates representing the Consideration that the holder of such certificate or DRS is entitled to receive in accordance with Section 3.1.

(d) No holder of Company Shares, Company Options or Company Warrants shall be entitled to receive any consideration or entitlement with respect to such Company Shares, Company Options or Company Warrants other than any consideration or entitlement to which such holder is entitled to receive in accordance with this Plan of Arrangement and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith, other than any declared but unpaid dividends.

5.2 Lost Certificates

In the event any certificate, that immediately prior to the Effective Time represented one or more outstanding Company Shares that were exchanged for Consideration in accordance with Section 3.01, will have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary will deliver in exchange for such lost, stolen or destroyed certificate, certificates representing the Consideration that such holder is entitled to receive in accordance with Section 3.1. When authorizing such delivery of a certificate or DRS representing the Consideration that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom certificates or DRS representing such Consideration is to be delivered will, as a condition precedent to the delivery of certificates representing such Consideration, give a bond satisfactory to the Purchaser and the Depositary in such amount as the Purchaser and the Depositary may direct, or otherwise indemnify the Purchaser and the Depositary in a manner satisfactory to the Purchaser and the Depositary, against any claim that may be made against the Purchaser or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and will otherwise take such actions as may be required by the articles of Company.

5.3 Distributions with respect to Unsurrendered Certificates

No dividend or other distribution declared or made after the Effective Time with respect to Purchaser Shares with a record date after the Effective Time will be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Company Shares unless and until the holder of such certificate will have complied with the provisions of Section 5.2. Subject to applicable law and to Section 5.4, at the time of such compliance, there will, in addition to the delivery of a certificate or DRS representing the Consideration to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such Purchaser Shares.

5.4 Withholding Rights

Notwithstanding any provision of this Plan of Arrangement to the contrary, the Company, the Purchaser and the Depositary will be entitled to deduct or withhold from any consideration otherwise payable to any Company Shareholder and any other securityholder of the Company under the Plan of Arrangement (including any payment to Dissenting Company Shareholders) such amounts as the Company, the Purchaser or the Depositary (as the case may be) is required or permitted to deduct or withhold with respect to such payment under the Tax Act, and the rules and regulations promulgated thereunder, or any provision of any federal, provincial, territorial, state, local or foreign tax law as counsel may advise is required to be so deducted or withheld by the Company, the Purchaser or the Depositary, as the case may be. For the purposes hereof, all such deducted or withheld amounts will be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person hereunder, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Entity by or on behalf of the Company, the Purchaser or the Depositary, as the case may be. To the extent necessary, such deductions or withholdings may be effected by selling, on behalf of the Company Shareholder or other securityholder, any Purchaser Shares to which any such person may otherwise be entitled under the Plan of Arrangement, and any amount remaining following the sale (including all fees, commissions or costs in respect of such sale), deduction or withholding and remittance will be paid to the person entitled thereto as soon as reasonably practicable. None of the Company, Purchaser or the Depositary will be under any obligation to obtain or indemnify any such Company Shareholder or other securityholder in respect of a particular price for the Purchaser Shares so sold.

5.5 Limitation and Proscription and Extinction of Rights

To the extent that a Former Company Shareholder will not have complied with the provisions of Section 5.1 or Section 5.2 on or before the date that is six years after the Effective Date (the "**final proscription date**"), then the Consideration that such Former Company Shareholder was entitled to receive will cease to represent a claim of any nature whatsoever and be automatically cancelled without any repayment of capital in respect thereof and the certificates representing such Consideration will be delivered to the Purchaser by the Depositary, without any further action required on the part of the Purchaser or any successor corporation, and the interest of the Former Company Shareholder in such Consideration to which it was formerly entitled will be terminated and the Former Company Shareholder will be deemed to have donated and forfeited to the Purchaser or any successor such Consideration as of such final proscription date.

5.6 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement will be free and clear of any Liens or other claims of third parties of any kind.

5.7 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement will take precedence and priority over any and all Company Shares, Company Options and Company Warrants issued prior to the Effective Time, (b) the rights and obligations of the Company Shareholders, Company

Optionholders, Company Warrantholders, the Company, the Purchaser, the Depositary and any transfer agent or other depositary therefor in relation thereto, will be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Company Shares, Company Options or Company Warrants will be deemed to have been settled, compromised, released and determined without liability of the Company or the Purchaser except as set forth in this Plan of Arrangement.

ARTICLE 6
AMENDMENTS

6.1 Amendments to Plan of Arrangement

(a) The Purchaser and the Company reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) agreed to in writing by the Purchaser and the Company, (iii) filed with the Court and, if made following the Company Meeting, approved by the Court, and (iv) communicated to Company Shareholders if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company at any time prior to the Company Meeting provided that the Purchaser will have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the persons voting at the Company Meeting (other than as may be required under the Interim Order), will become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Company Meeting will be effective only if: (i) it is consented to in writing by each of the Purchaser and the Company, and (ii) if required by the Court, it is consented to by the Company Shareholders voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made by the Purchaser and the Company without the approval of or communication to the Court or the Company Shareholders and holders of Company Options and Company Warrants, provided that it concerns a matter which, in the reasonable opinion of the Purchaser and the Company is of an administrative or ministerial nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any of the Company Shareholders and holders of Company Options and Company Warrants.

(e) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

ARTICLE 7
FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties will make, do and execute, or cause to be made, done and executed, any such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein.

ARTICLE 8
U.S. SECURITIES LAW EXEMPTION

8.1 U.S. Securities Law Exemption

Notwithstanding any provision herein to the contrary, the Company and the Purchaser each agree that the Plan of Arrangement will be carried out with the intention that, and they will use their commercially reasonable efforts to ensure that, the Consideration and Replacement Options received under the Arrangement will be issued and exchanged in reliance on the exemption from the registration requirements of the U.S. Securities Act as provided by Section 3(a)(10) thereof, and in reliance on exemptions from the registration or qualification requirements of applicable U.S. state securities laws, and pursuant to the terms, conditions and procedures set forth in the Arrangement Agreement. The Consideration and Replacement Options (unless issued to persons who are, or have been within 90 days of when such Consideration or Replacement Options are issued, "affiliates" as defined under rule 144 thereunder), will not be "restricted securities" as defined in Rule 144 thereunder and will not bear a U.S. restrictive legend. The issuance of the Consideration and Replacement Options is subject to and conditioned on the Court's determination that the Arrangement is substantively and procedurally fair to those entitled to receive Consideration and Replacement Options pursuant to the Arrangement, and based on the Court's approval of the Arrangement after being informed of the intention of the Purchaser to rely upon the exemption from the registration requirements of the U.S. Securities Act as provided by Section 3(a)(10) thereof for the issuance under the Arrangement of such securities. The Purchaser Shares issuable upon exercise of the Replacement Options have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws, and may be issued only pursuant to an effective registration statement or a then available exemption or exclusion from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

SCHEDULE "C"

INTERIM ORDER

[see attached]

No. VLC-S-S-262129
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT,* S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
PEGASUS RESOURCES INC., ITS SHAREHOLDERS AND AERO ENERGY LIMITED

PEGASUS RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION
(INTERIM ORDER)

BEFORE ASSOCIATE JUDGE Robinson 26/March/2026

ON THE APPLICATION of the Petitioner, Pegasus Resources Inc. ("**Pegasus**") for an Interim Order under section 291 of the *Business Corporations Act* (British Columbia), S.B.C. 2002, c. 57, as amended (the "**BCBCA**") in connection with an arrangement involving Pegasus, the holders (the "**Pegasus Shareholders**") of Pegasus common shares (the "**Shares**", and each a "**Share**"), and Aero Energy Limited ("**Aero**") under section 288 of the BCBCA.

☑ without notice coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on March 26, 2026 and on hearing Lauren Gnanasihamany, counsel for Pegasus, and upon reading the Petition filed herein and the Affidavit No. 1 of Christian Timmins made March 24, 2026 (the "**Affidavit**") and filed herein.

THIS COURT ORDERS that:

ANNUAL GENERAL AND SPECIAL MEETING

1. Pursuant to sections 186, 288, 289(1)(a)(i) and (e), 290 and 291(2)(b)(i) of the BCBCA, Pegasus is authorized and directed to call, hold and conduct an annual general and special meeting (the "**Meeting**") of the Pegasus Shareholders on April 29, 2026 at 11:00 a.m. (Vancouver time) at Suite 1200, 750 West Pender Street, Vancouver, BC V6C 2T8:

(a) to consider and, if deemed advisable, to pass, with or without variation, among other things, a special resolution (the "**Arrangement Resolution**") of the Pegasus Shareholders authorizing and approving an arrangement (the "**Arrangement**") under Division 5 of Part 9 of the BCBCA; and

(b) to transact such other business, as may properly be brought before the Meeting, or any adjournment or postponement thereof.

2. The Meeting shall be called, held and conducted in accordance with the BCBCA, the notice of annual general and special meeting of the Pegasus Shareholders (the "**Notice**") and the management information circular, which is attached as Exhibit "A" to the Affidavit (the "**Information Circular**"), the articles of Pegasus and applicable securities laws, subject to the terms of this Interim Order and any further Order of this Court, as well as the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order, and to the extent of any inconsistency this Interim Order shall govern or, if not specified in the Interim Order, the Information Circular shall govern.

AMENDMENTS

3. Pegasus is authorized to make, in the manner contemplated by and subject to the arrangement agreement between Pegasus and Aero dated February 27, 2026 (the "**Arrangement Agreement**"), such amendments, modifications or supplements to the Arrangement, the Plan of Arrangement, the Arrangement Agreement, the Notice and the Information Circular as it may determine without any additional notice to or authorization of the Pegasus Shareholders or further orders of this Court. The Arrangement, the Plan of Arrangement, the Arrangement Agreement, the Notice and the Information Circular as so amended, modified or supplemented, shall be the Arrangement, the Plan of Arrangement, the Arrangement Agreement, the Notice and the Information Circular to be submitted to Pegasus Shareholders at the Meeting, as applicable, and the subject of the Arrangement Resolution.

ADJOURNMENTS AND POSTPONEMENTS

4. Notwithstanding the provisions of the BCBCA and the articles of Pegasus, and subject to the terms of the Arrangement Agreement, the board of directors of Pegasus (the "**Board**") shall be entitled to adjourn or postpone the Meeting by resolution on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Pegasus Shareholders respecting such adjournment or postponement and without the need for approval of this Court. Notice of any such adjournment or postponement shall be given by press release, newspaper advertisement or notice sent to the Pegasus Shareholders by one of the methods specified in paragraph 8 of this Interim Order, as determined to be the most appropriate method of communication by the Board, subject to the terms of the Arrangement Agreement.

5. The Record Date (as defined below) shall remain the same despite any adjournments or postponements of the Meeting.

RECORD DATE

6. The record date for determining Pegasus Shareholders and holders ("**Pegasus Optionholders**") of options to purchase the Shares (the "**Pegasus Options**") entitled to receive the Notice, the Information Circular (which shall include, amongst other things, a copy of the Petition, the Notice of Hearing of Petition for Final Order, and the Interim Order granted), the Plan of Arrangement and the form of proxy or voting instruction form for use by the Pegasus Shareholders (collectively, the "**Meeting Materials**"), shall be the close of business on March 20, 2026 (the "**Record Date**"), as previously approved by the Board and published by Pegasus. The Record Date shall remain the same despite any adjournments or postponements of the Meeting.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

7. The Information Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and Pegasus shall not be required to send to the Pegasus Shareholders any other or additional statement pursuant to section 290(1)(a) of the BCBCA.

8. The Meeting Materials, in substantially the same form as the Exhibits to the Affidavit, with such deletions or additional documents as counsel for Pegasus may advise are necessary or desirable, and as are not inconsistent with the terms of the Interim Order, shall be sent:

   (a) to registered Pegasus Shareholders and Pegasus Optionholders as they appear on the securities register(s) of Pegasus or the records of its registrar and transfer agents as at the close of business on the Record Date, such Meeting Materials to be sent at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmittal and the date of the Meeting, by one or more of the following methods:

      (i) by prepaid ordinary or air-mail addressed to such Pegasus Shareholder and Pegasus Optionholders at his, her, or its address as it appears on the applicable securities registers of Pegasus or its registrar and transfer agent as at the Record Date;

      (ii) by delivery in person or by courier to the addresses specified in paragraph 8(a)(i) above; or

      (iii) by email or facsimile transmission to any such Pegasus Shareholder and Pegasus Optionholders who identifies himself, herself or itself to the satisfaction of Pegasus (acting through its representatives), who requests such email or facsimile transmission and pays for the transmission fees in accordance with such request; and

   (b) to non-registered Pegasus Shareholders (those whose names do not appear in the securities register of Pegasus), by sending copies of the Meeting Materials to intermediaries and registered nominees to facilitate the distribution of the Meeting Materials to beneficial owners in accordance with the procedures prescribed by National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators at least three (3) business days prior to the twenty first (21th) day prior to the date of the Meeting.

9. The Meeting Materials shall be sent to the directors and auditor of Pegasus by prepaid ordinary mail or by delivery in person or by recognized courier service or by email or facsimile transmission at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery, or transmission.

10. Substantial compliance with the delivery of the Meeting Materials as ordered herein shall constitute good and sufficient notice of the Meeting, including compliance with the requirements of section 290(1)(a) of the BCBCA, and Pegasus shall not be required to send to any Pegasus Shareholder or Pegasus Optionholders any other or additional statement pursuant to section 290(1) of the BCBCA or otherwise.

11. The sending of the Meeting Materials, which includes the Petition, Notice of Hearing of the Petition and the Interim Order in accordance with paragraph 8 of this Order shall constitute good and sufficient service of such Petition and Notice of Hearing upon all who may wish to appear in these proceedings, and no other service need be made and no other material need to be served on persons in respect of these proceedings except upon written request to the solicitors for Pegasus at their address for service set out in the Petition. In particular, service of the Petition and any supporting affidavits is dispensed with.

12. Accidental failure of or omission by Pegasus to give notice to any one or more Pegasus Shareholder or Pegasus Optionholders or any other persons entitled thereto, or the non-receipt of such notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Pegasus (including, without limitation, any inability to use postal services) shall not constitute a breach of this Interim Order or a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Pegasus, then it shall use commercially reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

13. Pegasus shall be at liberty to give notice of this application to persons outside the jurisdiction of this Court in the manner specified herein.

14. Provided that notice of the Meeting is given and the Meeting Materials are provided to the Pegasus Shareholders, and any other persons entitled thereto in compliance with this Interim Order, the requirement of section 290(1)(b) of the BCBCA to include certain disclosure in any advertisement of the Meeting is waived.

15. In the event of a postal strike, lockout or event that prevents, delays or otherwise interrupts mailing of the Meeting Materials by prepaid ordinary mail (the "**Postal Service Disruption**") as provided for in paragraph 8 herein:

    (a) Pegasus shall cause an advertisement (the "**Advertisement**") to be placed in a major daily newspaper of national circulation, stating:

        i. the date, place, and time of the Meeting;

        ii. the measures implemented by Pegasus to ensure delivery or transmission of proxies or other Meeting Materials by the Pegasus Shareholders to Pegasus in relation to the Meeting within the required time period and at no cost to the Pegasus Shareholders; and

        iii. that the Meeting Materials are available, without charge, for review via the internet at the SEDAR+ website (www.sedarplus.ca) or for delivery to Pegasus Shareholders by electronic mail or by courier upon request made to Pegasus;

(b) the Advertisement shall be made on or before the date upon which notice of the Meeting would otherwise be sent to the Pegasus Shareholders, in the event that a Postal Service Disruption had not occurred;

(c) Pegasus shall, concurrently with the Advertisement, issue a press release containing the information set out in paragraph 15(a) herein and stating that the Advertisement and press release are being made in accordance with this order in lieu of prepaid ordinary mail due to the Postal Service Disruption; and

(d) For proxies, voting instruction forms, and other Meeting Materials that are required to be delivered to Pegasus for the purposes of the Meeting, Pegasus shall implement measures that enable Pegasus Shareholders, during the Postal Service Disruption, to effect delivery or transmission by the Pegasus Shareholders of said proxies, voting instruction forms or other materials within the required period at no cost to Pegasus Shareholders.

DEEMED RECEIPT OF NOTICE

16. The Meeting Materials and any amendments, modifications, updates or supplements to the Meeting Materials and any notice of adjournment or postponement of the Meeting, shall be deemed to have been received, for the purposes of this Interim Order:

(a) in the case of mailing pursuant to paragraph 8(a)(i) above, the day, Saturdays, Sundays and holidays excepted, following the date of mailing;

(b) in the case of delivery in person pursuant to paragraph 8(a)(ii) above, the day following personal delivery or, in the case of delivery by courier, one (1) business day after receipt by the courier;

(c) in the case of transmission by email or facsimile pursuant to paragraph 8(a)(iii) above, upon the transmission thereof;

(d) in the case of Advertisement, at the time of publication of the Advertisement;

(e) in the case of electronic filing on SEDAR+, upon the transmission thereof; and

(f) in the case of beneficial Pegasus Shareholders, three (3) days after delivery thereof to intermediaries and registered nominees.

UPDATING MEETING MATERIALS

17. Notice of any amendments, modifications, updates or supplements to any of the information provided in the Meeting Materials may be communicated, at any time prior to the Meeting, to the Pegasus Shareholders or any other persons entitled thereto, by press release, news release, newspaper advertisement or by notice sent to the Pegasus Shareholder by any of the means set forth in paragraphs 8 or 15, as determined to be the most appropriate method of communication by the Board, subject to the terms of the Arrangement Agreement.

PERMITTED ATTENDEES

18. The only persons entitled to attend the Meeting shall be:

(a) the registered Pegasus Shareholders and Pegasus Optionholders as at 5:00 p.m. (Vancouver time) on the Record Date, or their respective proxyholders;

(b) directors, officers, auditors and advisors of Pegasus;

(c) directors, officers, auditors and advisors of Aero; and

(d) other persons with the prior permission of the Chair of the Meeting;

and the only persons entitled to be represented and to vote at the Meeting shall be the registered Pegasus Shareholders at the close of business on the Record Date, or their respective proxyholders.

SOLICITATION OF PROXIES

19. Pegasus is authorized to use the form of proxy in connection with the Meeting, in substantially the same form as is attached as Exhibit "C" to the Affidavit, subject to Pegasus's ability to insert dates and other relevant information in the final form thereof and to make other non-substantive changes and changes legal counsel advise are necessary or appropriate. Pegasus is authorized, at its expense, to solicit proxies directly and through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose and by mail, telephone or such other form of personal or electronic communication as it may determine.

20. The procedures for the use of proxies at the Meeting and revocation of proxies shall be as set out in the Notice and the Information Circular.

21. Subject to the terms of the Arrangement Agreement, Pegasus may, in its discretion generally waive the time limits for the deposit of proxies by Pegasus Shareholders if Pegasus deems it advisable to do so, such waiver to be endorsed on the proxy by the initials of the Chair of the Meeting.

QUORUM AND VOTING

22. A quorum at the Meeting shall be one person or more present and being, or representing by proxy, two or more shareholders entitled to attend and vote at the meeting.

23. At the Meeting, and in respect of the Arrangement Resolution, each Pegasus Shareholder whose name is entered in on the central securities register of Pegasus as at the close of business on the Record Date is entitled to one (1) vote for each Share registered in his/her/its name.

24. The requisite approval to pass the Arrangement Resolution shall be the affirmative vote of 66⅔% of the votes cast by Pegasus Shareholders present in person or represented by proxy at the Meeting.

SCRUTINEER

25. The scrutineer for the Meeting shall be Computershare Trust Company of Canada (acting through its representatives for that purpose).

SHAREHOLDER DISSENT RIGHTS

26. Each registered Pegasus Shareholder is granted rights to dissent (the "**Dissent Rights**") in respect of the Arrangement Resolution in accordance with sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order, including that:

(a) a registered Pegasus Shareholder who wishes to dissent (a "**Dissenting Pegasus Shareholder**") must deliver a written notice of dissent (a "**Notice of Dissent**") to Pegasus at Morton Law LLP, 1200 – 750 West Pender Street, Vancouver BC, V6C 2T8, Attn: Sandy Fong to be received by Pegasus no later than 5:00 pm (Vancouver time) on April 27, 2026, or if the Meeting is adjourned or postponed, the date that is at least two Business Days preceding the date of the reconvened or postponed Meeting;

(b) a Notice of Dissent must specify the name and address of the Dissenting Pegasus Shareholder, the number of Shares in respect of which the Notice of Dissent is being given (the "**Notice Shares**") and whichever of the following is applicable:

(i) if the Notice Shares constitute all of the Shares of which the Dissenting Pegasus Shareholder is both the registered and beneficial owner and the Dissenting Pegasus Shareholder holds no other Shares as beneficial owner, a statement to that effect;

(ii) if the Notice Shares constitute all of the Shares of which the Dissenting Pegasus Shareholder is both the registered and beneficial owner but the Dissenting Pegasus Shareholder owns additional Shares beneficially, a statement to that effect and the names of the registered Pegasus Shareholders of such additional Shares, the number of such additional Shares held by each of those registered owners and a statement that Notices of Dissent are being, or have been, sent with respect to all such additional Shares; or

(iii) if the Dissent Rights are being exercised by a registered Pegasus Shareholder on behalf of a non-registered Pegasus Shareholder who is not the Dissenting Pegasus Shareholder, a statement to that effect and the name and address of the non-registered Pegasus Shareholder and a statement that the registered Pegasus Shareholder is dissenting with respect to all Shares of the non-registered Pegasus Shareholder that are registered in such registered Pegasus Shareholder's name;

(c) a Dissenting Pegasus Shareholder who has delivered a Notice of Dissent and who votes in favour of the Arrangement Resolution will no longer be considered a Dissenting Pegasus Shareholder. A Pegasus Shareholder need not vote its Shares against the Arrangement Resolution in order to dissent. A vote against the Arrangement Resolution, whether in person or by proxy, does not constitute a Notice of Dissent;

(d) Pegasus is required, promptly after the later of: (i) the date on which it forms the intention to proceed with the Arrangement, and (ii) the date on which the Notice of Dissent was received to notify each Dissenting Pegasus Shareholder of its intention to act on the Arrangement Resolution;

(e) if the Arrangement Resolution is approved and if Pegasus notifies the Dissenting Pegasus Shareholders of its intention to act upon the Arrangement Resolution, the Dissenting Pegasus Shareholder is then required, within one month after Pegasus gives such notice, to send to Pegasus the certificates representing the Notice Shares if such shares are certificated, and a written statement that requires Pegasus to purchase all of the Notice Shares;

(f) if the Dissent Right is being exercised by the Dissenting Pegasus Shareholder on behalf of a non-registered Pegasus Shareholder who is not the Dissenting Pegasus Shareholder, a statement signed by the non-registered Pegasus Shareholder is required which sets out

whether the non-registered Pegasus Shareholder is the beneficial owner of other Shares and, if so, (i) the names of the registered owners of such Shares; (ii) the number of such Shares; and (iii) that dissent is being exercised in respect of all of such Shares. Upon delivery of these documents, the Dissenting Pegasus Shareholder is deemed to have sold the Notice Shares and Pegasus is deemed to have purchased them in consideration for a debt claim against Pegasus for the value of the Notice Shares. Once the Dissenting Pegasus Shareholder has done this, the Dissenting Pegasus Shareholder may not vote or exercise any shareholder rights in respect of the Notice Shares;

(g) the Dissenting Pegasus Shareholder and Pegasus may agree on the payout value of the Notice Shares; otherwise, either party may apply to the Court to determine the payout value of the Notice Shares or apply for an order that value be established by arbitration or by reference to the registrar or a referee of the Court. After a determination of the payout value of the Notice Shares, and if the Arrangement is completed, Pegasus must then promptly pay that amount to the Dissenting Pegasus Shareholder to satisfy the debt claim of such Dissenting Pegasus Shareholder against Pegasus arising from the deemed purchase of the Notice Shares by Pegasus. If a Dissenting Pegasus Shareholder is ultimately not entitled, for any reason, to be paid fair value for the Notice Shares, such Dissenting Pegasus Shareholder will be deemed to have participated in the Arrangement on the same basis as a Pegasus Shareholder who has not exercised Dissent Rights and shall be entitled to receive only the Share Consideration that such Pegasus Shareholder would have received pursuant to the Arrangement if such Pegasus Shareholder had not exercised its Dissent Rights; and

(h) a Dissenting Pegasus Shareholder loses his, her or its Dissent Rights if, before full payment is made for the Notice Shares, any of the following events occurs: Pegasus abandons the corporate action that has given right to the Dissent Right (namely, the Arrangement), the Arrangement Resolution does not pass or is revoked; the Arrangement will not proceed; a court permanently enjoins the Arrangement, or the Dissenting Pegasus Shareholder withdraws the Notice of Dissent with Pegasus's consent. When these events occur, Pegasus must return the share certificates, if applicable, to the Dissenting Pegasus Shareholder and the Dissenting Pegasus Shareholder regains the ability to vote and exercise shareholder rights.

27. Notice to the Pegasus Shareholders of their Dissent Rights with respect to the Arrangement Resolution will be given by including information with respect to the Dissent Rights in the Information Circular to be sent to the Pegasus Shareholders with respect to the Arrangement.

28. Subject to further order of this Court, the rights available to the Pegasus Shareholders under the BCBCA and the Plan of Arrangement to dissent from the Arrangement will constitute full and sufficient Dissent Rights for the Pegasus Shareholders with respect to the Arrangement.

APPLICATION FOR FINAL ORDER

29. Upon the approval by the Pegasus Shareholders of the Arrangement Resolution, in the manner set forth in this Interim Order, Pegasus may apply to this Court (the "**Application**") for an Order:

(a) pursuant to section 291(4)(a) of the BCBCA approving the Arrangement; and

(b) pursuant to section 291(4)(c) of the BCBCA declaring that the Arrangement, and the distribution of securities to be affected by the Arrangement, is substantively and procedurally fair and reasonable to the Pegasus Shareholders,

(collectively the "**Final Order**"),

and the hearing of the Application will be held on May 4, 2026, before the presiding Judge in Chambers at 800 Smithe Street, Vancouver, British Columbia or as soon thereafter as the Application can be heard or at such other date and time as this Court may direct.

30. The form of notice of final hearing attached as Exhibit "B" to the Affidavit is hereby approved as the form of notice for the hearing of the application for the Final Order.

31. The Petitioner has advised the Court that:

(a) section 3(a)(10) of the United States *Securities Act of 1933* (the "**1933 Act**"), as amended, provides an exemption from registration for the securities issued in exchange for one or more bona fide outstanding securities, claims or property interests pursuant to an arrangement where the terms and conditions of such issuance and exchange are approved by any court (including this Court), after a hearing on the fairness of such terms and conditions at which all person to whom it is proposed to issue securities in such exchange have the right to appear and receive timely notice thereof;

(b) the Petitioner intends to use the Final Order of this Court approving the Arrangement, and declaring the fairness of the Arrangement, including the terms and conditions hereof and the proposed issuance and exchanges of securities contemplated therein, as a basis for an exemption from registration under the 1933 Act of the issuance of securities contemplated under the Arrangement; and

(c) should the Court make the Final Order approving the Arrangement, the issuance of the Aero Shares and Replacement Options as defined in the Petition and the Information Circular will be exempt from registration under the 1933 Act pursuant to section 3(a)(10) thereof.

32. Any Pegasus Shareholder or Pegasus Optionholders who wishes to appear or be represented and/or present evidence or arguments at the hearing of the application for the Final Order must:

(a) file a Response to Petition, in the form prescribed by the Supreme Court Civil Rules, together with any evidence or material which is to be presented to the Court at the hearing of the Application; and

(b) deliver the filed Response to Petition together with a copy of any evidence or material which is to be presented to the Court at the hearing of the Application, to Pegasus's counsel at:

DWF (trading name for WT BCA LLP)
2400 – 200 Granville Street, Vancouver, BC V6C 1S4
Attention: Nicole Chang & Lauren Gnanasihamany

by or before 4:00 pm (Vancouver time) on April 30, 2026

33. If the application for the Final Order is adjourned, only those persons who have filed and delivered a Response to Petition in accordance with this Interim Order need to be served and provided with notice of the adjourned date.

34. In the event that the hearing of the Application is adjourned, then only those persons who filed and delivered a Response to Petition in accordance with paragraph 32 need be provided with notice of the adjourned hearing date.

35. Subject to other provisions in this Interim Order, no material other than that contained in the Information Circular need be served on any persons in respect of these proceedings and, in particular, service of the Petition herein and the accompanying Affidavit and additional affidavits as may be filed is dispensed with.

VARIANCE

36. Pegasus shall be entitled, at any time, to apply to vary this Interim Order.

37. Rules 8-1 and 16-1(8) – (12) will not apply to any further applications in respect of this proceeding, including the application for the Final Order and any application to vary this Interim Order.

38. Pegasus shall, and hereby does, have liberty to apply for such further orders as may be appropriate.

39. To the extent of any inconsistency or discrepancy between this Interim Order and the Information Circular, the BCBCA, applicable Securities Laws or the articles of Pegasus, this Interim Order will govern.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Lawyer for the Petitioner,
Pegasus Resources Inc.
Lawyer: Lauren Gnanasihamany

BY THE COURT

Registrar

CHECKED

SCHEDULE "D"

NOTICE OF HEARING OF PETITION

[see attached]

No.VLC-S-S-26129
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT,* S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
PEGASUS RESOURCES INC., ITS SHAREHOLDERS AND AERO ENERGY LIMITED

PEGASUS RESOURCES INC.

PETITIONER

NOTICE OF HEARING

TO: The holders (the "**Company Shareholders**") of common shares (the "**Company Shares**") of Pegasus Resources Inc. ("**Pegasus**" or the "**Company**") and holders of options of the Company (the "**Company Optionholders**")

NOTICE IS HEREBY GIVEN that a Petition to the Court has been filed by Pegasus in the Supreme Court of British Columbia for approval, pursuant to section 291 of the *Business Corporations Act*, S.B.C. 2002 c. 57 and amendments thereto (the "**BCBCA**"), of an arrangement contemplated in an Arrangement Agreement dated February 27, 2026 between Pegasus and Aero Energy Limited ("**Aero**") involving Pegasus, its shareholders and Aero (the "**Arrangement**").

NOTICE IS FURTHER GIVEN that by Order of Associate Judge Robinson, an Associate Judge of the Supreme Court of British Columbia, dated March 26, 2026 (the "**Interim Order**"), the Court has given directions as to the calling of an annual general and special meeting (the "**Meeting**") of the Company Shareholders for the purpose of, among other things, considering and voting upon the special resolution to approve the Arrangement.

NOTICE IS FURTHER GIVEN that if the Arrangement is approved at the Meeting, the Company intends to apply to the Supreme Court of British Columbia for a final order (the "**Final Order**") approving the Arrangement, declaring it to be fair and reasonable to the Company Shareholders and Company Optionholders, which application will be heard at the courthouse at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia on **May 4, 2026 at 9:45 a.m.** (Vancouver time) or as soon thereafter as the Court may direct or counsel for the Company may be heard.

NOTICE IS FURTHER GIVEN that the Court has been advised that, if granted, the Final Order approving the Arrangement and the declaration that the Arrangement is fair to the Company Shareholders and Company Optionholders will constitute the basis for an exemption from the registration requirements under the United States Securities Act of 1933, pursuant to section 3(a)(10) thereof, upon which the parties will rely for the issuance and exchange of securities in connection with the Arrangement.

IF YOU WISH TO BE HEARD AT THE HEARING OF THE APPLICATION FOR THE FINAL ORDER OR WISH TO BE NOTIFIED OF ANY FURTHER PROCEEDINGS, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing a form entitled "Response to Petition" together with any evidence or materials which you intend to present to the Court at the Vancouver Registry of the Supreme Court of British Columbia and YOU MUST ALSO DELIVER a copy of the Response to Petition and any other evidence or materials to the Petitioner's address for delivery, which is set out below, on or before 4:00 p.m. (Vancouver time) on April 30, 2026.

YOU OR YOUR SOLICITOR may file the Response to Petition. You may obtain a form of Response to Petition at the Registry. The address of the Registry is 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

IF YOU DO NOT FILE A RESPONSE TO PETITION AND ATTEND EITHER IN PERSON OR BY COUNSEL at the time of the hearing of the application for the Final Order, the Court may approve the Arrangement, as presented, or may approve it subject to such terms and conditions as the Court deems fit, all without further notice to you. If the Arrangement is approved, it will affect the rights of the Company Shareholders.

A copy of the Petition to the Court and the other documents that were filed in support of the Interim Order and will be filed in support of the Final Order will be furnished to any Company Shareholder upon request in writing addressed to the solicitors of the Petitioner at the address for delivery set out below.

The Petitioner's address for delivery is:

DWF (trading name of WT BCA LLP)
2400-200 Granville Street
Vancouver, BC V6C 1S4
Attention: Lauren Gnanasihamany & Nicole Chang

Pursuant to the Interim Order, the hearing of this Petition is set for May 4, 2026 at 9:45 am before the presiding Judge in Chambers at the Courthouse at 800 Smithe Street, Vancouver British Columbia.

It is anticipated that this Final Hearing will not be contentious and will take 15 minutes.

Dated: 26/March/2026

Signature of lawyer for the petitioner
Lauren Gnanasihamany

Court File No. VLC-S-S-262129
No. _____
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT,* S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
PEGASUS RESOURCES INC., ITS SHAREHOLDERS AND AERO ENERGY LIMITED

PEGASUS RESOURCES INC.

PETITIONER

PETITION TO THE COURT

ON NOTICE TO: This petition is without notice.

The address of the registry is:

800 Smithe Street
Vancouver, BC V6Z 2E1

The petitioner estimates that the hearing of the petition will take 15 minutes.

☐ This matter is an application for judicial review.

☑ This matter is not an application for judicial review.

This proceeding is brought for the relief set out in Part 1 below, by

☑ Pegasus Resources Inc./ (the petitioner)

If you intend to respond to this petition, you or your lawyer must

(a) file a response to petition in Form 67 in the above-named registry of this court within the time for response to petition described below, and

(b) serve on the petitioner(s)

(i) 2 copies of the filed response to petition, and

(ii) 2 copies of each filed affidavit on which you intend to rely at the hearing.

Orders, including orders granting the relief claimed, may be made against you, without any further notice to you, if you fail to file the response to petition within the time for response.

Time for response to petition

A response to petition must be filed and served on the petitioner(s),

(c) if you reside anywhere within Canada, within 21 days after the date on which a copy of the filed petition was served on you,

(d) if you reside in the United States of America, within 35 days after the date on which a copy of the filed petition was served on you,

(e) if you reside elsewhere, within 49 days after the date on which a copy of the filed petition was served on you, or

(f) if the time for response has been set by order of the court, within that time.

(1)	The address of the registry is:	800 Smithe Street Vancouver, BC V6Z 2E1
(2)	The ADDRESS FOR SERVICE of the petitioner(s) is:	DWF (trading name of WT BC LLP) 2400 - 200 Granville St. Vancouver, BC V6C 1S4 Attention: Nicole Chang & Lauren Gnanasihamany
	Fax number address for service (if any) of the petitioner(s):	604-682-5217
	E-mail address for service (if any) of the petitioner(s):	Nicole.chang@dwfgroup.ca Lauren.Gnanasihamany@dwfgroup.ca
(3)	The name and office address of the petitioner's(s') lawyer is:	DWF (trading name of WT BC LLP) 2400 - 200 Granville St. Vancouver, BC V6C 1S4 Attention: Nicole Chang & Lauren Gnanasihamany

CLAIM OF THE PETITIONER

Part 1: ORDER(S) SOUGHT

1. The Petitioner, Pegasus Resources Inc., ("**Pegasus**") applies to this Court pursuant to sections 186, 288 to 297 of the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended, (the **"BCBCA"**), Rules 1-2(4), 2-1(2)(b), 4-4, 4-5, 8-1 and 16-1 of the Supreme Court Civil Rules for:

2. An *ex parte* interim order (the **"Interim Order"**) substantially in the form attached as Schedule "A" to this Petition in connection with an arrangement (the "**Arrangement**") involving Pegasus, Aero Energy Limited ("**Aero**"), and the holders (the "**Pegasus Shareholders**") of common shares of Pegasus (the "**Pegasus Shares**"), to purchase Pegasus Shares as proposed by the Petitioner in the plan of arrangement (the "**Plan of Arrangement**") substantially in the form attached as Schedule "B" of the management information circular (the "**Circular**") of Pegasus, a draft of which is attached as Exhibit "A" to Affidavit #1 of Christian Timmins, made March 24, 2026 ("**Affidavit #1**") for:

    (a) The convening and conduct by the Petitioner, Pegasus, of an annual general and special meeting (the "**Meeting**") of the Pegasus Shareholders to be held at 10:00 am (Vancouver Time) on April 29, 2026 at Suite 1200, 750 West Pender Street, Vancouver, BC V62 2T8 subject to any adjournment, to consider, *inter alia*, and if deemed advisable, pass with or without amendment, a special resolution (the "**Arrangement Resolution**") authorizing and approving, with or without variation, the proposed Arrangement under the provisions of Division 5 of Part 9 of the BCBCA and such other business, including amendments to the foregoing, as may properly come before the Meeting, and

    (b) The giving of notice of the Meeting and provision of materials regarding the Arrangement to the Pegasus Shareholders.

3. A final order (the **"Final Order"**):

    (a) declaring that the Arrangement, as more particularly described in the Plan of Arrangement, including the terms and conditions thereof and the proposed issuance and exchange of securities contemplated therein, including the issuance and exchange of Pegasus Shares and Replacement Options (defined below), is procedurally and substantively fair and reasonable to those who will receive securities in the exchange, and

    (b) approving the Arrangement.

4. Such further and other relief as the Petitioner may advise and the Court may deem just.

Part 2: FACTUAL BASIS

1. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the draft Circular attached as Exhibit "A" to Affidavit #1.

Pegasus

2. Pegasus is a Canadian uranium exploration company focused on advancing high-potential projects in the United States. The Company's flagship asset, the Jupiter Uranium Project in Utah, is a drill-ready property positioned for resource expansion.

3. Pegasus' head office is located at Suite 700, 838 West Hastings Street, Vancouver, BC, V6C 0A6

and the registered and records office is located at Suite 2501, 550 Burrard Street, Vancouver, BC V6C 2B5.

4. Pegasus is a reporting issuer in British Columbia and Alberta. The Pegasus Shares are listed and posted for trading on the TSXV under the symbol "PEGA" and on the OTCQB under the symbol "SLTFF".

5. The authorized share capital of Pegasus consists of an unlimited number of Pegasus Shares.

6. As of March 20, 2026 (the "**Record Date**"), there were 39,891,668 Pegasus Shares issued and outstanding, with each Pegasus Share carrying the right to one vote, and 1,575,000 Pegasus Options to purchase Pegasus Shares (the "**Pegasus Options**").

Aero

7. Aero has established a robust portfolio of uranium assets in North America. The company controls a district-scale land package in Saskatchewan's Athabasca Basin, including its Strike and Murmac projects, which collectively host dozens of shallow drill-ready targets on the north rim of the Athabasca Basin.

8. Aero is a reporting issuer in all the provinces and the common shares of Aero (the "**Aero Shares**") are listed on the TSXV under the symbol "AERO", the Frankfurt Stock Exchange under the symbol "UU3" and the OTC Pink under the symbol "AAUGF".

9. The registered and records office of Aero is at Suite 401 - 353 Water Street, Vancouver, BC V6M 1A8 and its head office is at Suite 918, 1030 West Georgia Street Vancouver, BC V6E 2Y3.

The Arrangement

10. Pegasus and Aero have entered into an arrangement agreement dated February 27, 2026, (the **"Arrangement Agreement"**), pursuant to which Aero will, *inter alia*, acquire all of the issued and outstanding Pegasus Shares, pursuant to the Plan of Arrangement under section 288 of the BCBCA (the "**Arrangement**").

11. Commencing at the Effective Time, the following will occur and will be deemed to occur sequentially in the following order without any further authorization, act or formality:

    (a) each Pegasus Share held by a Dissenting Shareholder shall be deemed to be transferred by such Dissenting Shareholder (free and clear of any liens) to Pegasus for cancellation, and:

    (b) Pegasus shall be obligated to pay each such Dissenting Shareholder the amount determined for such Pegasus Shares;

        i. each such Dissenting Shareholder shall cease to be the holder of such Pegasus Shares and shall cease to have any rights as a holder of such Pegasus Shares,

other than the right to be paid the amount determined in accordance with the Plan of Arrangement for such Pegasus Shares;

ii. each such Dissenting Shareholder's name shall be removed as the holder of such Pegasus Shares from the register of Common shares maintained by or on behalf of Pegasus; and

iii. such Pegasus Shares shall be cancelled in the register of Common shares maintained by or on behalf of Pegasus;

(c) each Pegasus Share held by a Shareholder (other than Aero, any subsidiary of Aero or a Dissenting Shareholder) immediately prior to the Effective Time will be, and will be deemed to be, transferred to Aero (free and clear of any liens), in exchange for the Consideration, and:

i. holders of such Pegasus Shares will cease to be the holders thereof and to have any rights as holders of such Pegasus Shares other than the right to be paid the Consideration per Pegasus Share in accordance with the Plan of Arrangement;

ii. such holders' names will be removed from the register of Shareholders maintained by or on behalf of the Company; and

iii. Aero will be deemed to be the transferee and the legal and beneficial holder of such Pegasus Shares (free and clear of any liens) and the register of Shareholders maintained by or on behalf of the Company will be, and will be deemed to be, revised accordingly.

12. It is expected that, pursuant to the Arrangement, Pegasus Shareholders will receive approximately 5,305,591 Aero Shares in exchange for the outstanding Pegasus Shares. Immediately following completion of the Arrangement, existing Aero Shareholders are expected to hold approximately 12% of the Aero Shares issued and outstanding, while Pegasus Shareholders will hold approximately 78% of the Aero Shares issued and outstanding (on a non-diluted basis), before the completion of the Urano Arrangement (as defined below)

13. Each Pegasus Warrant outstanding immediately prior to the Effective Time, shall as of the Effective Time be adjusted in accordance with its terms and shall entitle the Pegasus Warrantholder upon exercise of such Pegasus Warrant following the Effective Time, on the same terms and conditions as were applicable to such Pegasus Warrant before the Effective Time, to purchase from Aero for the same aggregate consideration, the number of Aero Shares (rounded down to the nearest whole number) equal to the number of Pegasus Shares subject to such Pegasus Warrant immediately prior to the Effective Time multiplied by the Exchange Ratio in accordance with such adjustment.

14. Pursuant to the terms of the Pegasus Option Plan, each Pegasus Option outstanding immediately prior to the Effective Time, whether vested or unvested, shall be deemed to be exchanged for a Replacement Option to purchase from Aero, the number of Aero Shares (rounded down to the nearest whole number) equal to: (A) the number of Pegasus Shares subject to such Pegasus Option immediately prior to the Effective Time multiplied by the Exchange Ratio, at an exercise price per Pegasus Share (rounded up to the nearest whole cent) otherwise purchasable pursuant to such Pegasus Option immediately prior to the Effective Time divided by the Exchange Ratio, exercisable until the original expiry date of said Pegasus Option. All terms and conditions of the Replacement Options, including the terms, conditions, and manner of exercising shall be governed by the Aero Option Plan, and any document evidencing a Pegasus Option shall thereafter evidence and be deemed to evidence such Replacement Option.

15. Concurrently with the Arrangement Agreement, Aero entered into an arrangement agreement with Urano Energy Corp. ("Urano") pursuant to which Aero has agreed to acquire all of the issued and outstanding common shares of Urano by way of a statutory arrangement (the "Urano Arrangement") under Section 288 of the *BCBCA*. The Arrangement and Urano Arrangement are not contingent on one another.

No Creditor Impact

16. The Arrangement does not contemplate a compromise of any debt or debt instruments of Pegasus and no creditor of Pegasus will be materially affected by the Arrangement.

Background to the Arrangement

17. Pegasus regularly evaluates business and strategic opportunities with the objective of maximizing shareholder value in a manner consistent with the best interests of Pegasus.

18. On December 1, 2025, Pegasus and Urano entered into a binding letter agreement in respect of a proposed business combination transaction pursuant to which Urano would acquire all of the issued and outstanding securities of Pegasus (the "Urano Transaction").

19. Following the execution of the letter agreement, the opportunity to pursue a transaction with Aero emerged. As discussions with Aero advanced, Management and the Pegasus Board determined to focus their efforts on evaluating and negotiating the proposed Arrangement with Aero.

20. On February 7, 2026, Pegasus and Aero entered into a confidentiality agreement to facilitate the exchange of non-public information in connection with the Arrangement.

21. Following execution of the confidentiality agreement, management of Aero and Pegasus engaged in a series of discussions regarding the Arrangement, including the proposed structure, consideration, timing and other key commercial terms initially advanced by Aero. Pegasus engaged Morton to advise on the Arrangement, including structuring considerations and negotiation of principal terms, and Aero engaged Forooghian as its legal counsel.

22. During the month of February 2026, the parties conducted technical, legal, financial and commercial due diligence with respect to one another and their respective assets and businesses. This process included, among other things, a review of technical data, title and permitting matters, financial information, material contracts and corporate records. Based on the results of such due diligence, which were considered satisfactory by each of the parties, Pegasus and Aero proceeded to negotiate the terms of the Arrangement Agreement. The parties engaged in negotiations regarding key commercial and legal terms of the Arrangement Agreement, including consideration, structure, conditions and deal protections.

23. Management and the Pegasus Board engaged in ongoing discussions with each other and with their advisors throughout this period in connection with the evaluation, negotiation and development of the Arrangement.

24. On February 17, 2026, Pegasus, Urano and Morton entered into a concurrent representation letter pursuant to which the parties agreed to have Morton represent both Pegasus and Urano with respect to two proposed business combination transactions between each of Urano and Pegasus on the one hand, with Aero Energy Limited on the other hand. Each transaction was agreed to be able to close without the other also closing and accordingly the transactions would be connected only by common acquirer and certain common disclosures and procedures.

25. On February 27, 2026, the Pegasus Board met to consider the proposed Arrangement. At this meeting, Management and Morton reviewed with the Pegasus Board the background to the Arrangement, the principal terms and conditions of the Arrangement Agreement and the Plan of Arrangement, the results of the due diligence process and the strategic rationale for the Arrangement. The Pegasus Board also considered the risks associated with the Arrangement, the current and prospective financial condition of Pegasus, and the potential alternatives available to Pegasus, including continuing as a standalone entity and pursuing other strategic transactions, including the Urano Transaction. The Pegasus Board with draft copies of the Arrangement Agreement, the Plan of Arrangement and the form of Support Agreement to be entered into by the Supporting Shareholders in favour of Aero.

26. Following these discussions, the Pegasus Board unanimously determined that the Arrangement is in the best interests of Pegasus and is fair, from a financial point of view, to the Shareholders, and approved the entering into of the Arrangement Agreement and the transactions contemplated thereby. The Pegasus Board also resolved to recommend that the Shareholders vote in favour of the Arrangement.

27. On February 27, 2026, concurrently with the approval of the Arrangement and the execution of the Arrangement Agreement, the letter agreement in respect of the Urano Transaction was terminated. On the same date, Pegasus and Aero entered into the Arrangement Agreement and Aero entered into support agreements with the Supporting Shareholders. The execution of the Arrangement Agreement was announced by joint press release prior to the opening of trading on March 2, 2026.

28. In March 2026, Pegasus engaged the Financial Advisor to provide a written fairness opinion to the effect that as of the date of such opinion, subject to the assumptions and limitations set out therein, the Arrangement is fair, from a financial point of view, to the Shareholders.

29. Upon closing of the Arrangement, Aero will acquire, through its acquisition of Pegasus, Pegasus' interest in the Energy Sands Project and Jupiter Uranium Project.

Reasons and Support for the Arrangement

30. In the course of its evaluation of the Arrangement, the Pegasus Board consulted with Pegasus' senior management, Pegasus' legal counsel and its financial advisor, and reviewed and considered a number of factors, including, among others, the following:

    a. Creation of a Leading North American Pure Uranium Platform: Upon completion of the Arrangement and the Pegasus Arrangement, Aero will hold 15 past-producing Uranium mines on 25 mineral exploration properties covering 25,099 acres in the United States along with Athabasca Basin high-grade potential with joint ventures at the Strike and Murmac properties.

    b. Expanded Historical Resource Base for Accelerated Growth: The arrangements will consolidate significant historical mineral resources with growth potential, positioning Aero post-Arrangement to advance exploration and potential development towards production.

    c. Positioned for American Domestic Demand: Quality assets in mining friendly jurisdictions to capitalize on domestic demand with uranium now classified as a critical mineral by the United States Geological Survey.

    d. Enhanced Capital Markets Profile and Liquidity: The combined assets of post-Arrangement Aero are expected to increase visibility and investor interest with greater market exposure.

    e. Uranium-Focused Team: Combines management, technical and capital markets experts with proven uranium discovery records and extensive Canadian-U.S. capital markets experience, fortifying the merged entity's development prospects.

    f. Full Board Support: The Arrangement and the Pegasus Arrangement have been unanimously approved by the board of directors of each of Aero and Pegasus. The Pegasus Board has unanimously recommended that the Shareholders vote in favour of the Arrangement.

    g. Shareholder Support: All of the directors and executive officers of Pegasus, representing in aggregate approximately 4% of the issued and outstanding Pegasus Shares, respectively, have agreed to vote in favour of the Arrangement.

Interests of Certain Persons

31. As of the Record Date, the directors and officers of Pegasus beneficially owned, directly or indirectly, or exercised control or direction over, in the aggregate of 1,480,800 Pegasus Shares, which represented approximately 4% of the voting rights attached to the issued and outstanding Pegasus Shares (on an undiluted basis), and have agreed to vote in favour of the Arrangement.

32. As of the Record Date, the directors and officers of Pegasus held, in the aggregate, 775,000 Pegasus Options, of which all are vested and exercisable (representing in the aggregate approximately 7% of all outstanding Pegasus Options).

33. As of the Record Date, the directors and officers of Pegasus held, in the aggregate, 584,500 Pegasus Warrants, of which all are vested and exercisable (representing in the aggregate approximately 34% of all outstanding Pegasus Options).

34. All benefits received, or to be received, by the directors and senior management of Pegasus as a result of the Arrangement are, and will be, solely in connection with their services as directors and officers of the Pegasus. No benefit has been, or will be, conferred for the purpose of increasing the value of consideration payable to any such person for the Pegasus Shares held by such person and no benefit is, or will be, conditional on any person supporting the Arrangement.

The Meeting and Approvals

35. It is proposed in accordance with the Interim Order that Pegasus convene the Meeting on April 29, 2026 at 11:00 a.m. (Vancouver Time) to consider, *inter alia*, and, if deemed advisable, to pass, subject to such amendments, variations or additions as may be approved at the Meeting, the Arrangement Resolution.

36. The Pegasus Shareholders that will be entitled to receive notice of, to attend and to vote at the Meeting are the Pegasus Shareholders of record on March 20, 2026. Holders of Pegasus Options (the "**Pegasus Optionholders**") as of the record date on March 20, 2026 will be entitled to receive notice of an attend the Meeting.

37. In connection with the Meeting, Pegasus intends to send to each Pegasus Shareholder and Pegasus Optionholder a copy of the following materials and documentation substantially in the forms attached as Exhibits "A" to "E" to Affidavit #1:

    a. The Notice of the Meeting and accompanying Circular (a copy of which is attached as Exhibit "A" to Affidavit #1) that includes, among other things:

    b. An explanation of the effect of the Arrangement;

    c. Information concerning Pegasus;

    d. Information concerning Aero;

e. The text of the Arrangement Resolution;

f. The text of the proposed Plan of Arrangement;

g. A copy of the Petition;

h. A copy of the Interim Order;

i. A copy of the Notice of final hearing of the Petition;

j. A summary of the Arrangement Agreement;

k. A copy of the dissent provisions contained in Division 2 of Part 8 of the BCBCA;

l. A Fairness Opinion, completed by the financial advisor; and

m. the form of proxy and voting instructions form for use by the Pegasus Shareholders, and in the case of Registered Pegasus Shareholders, also the letter of transmittal (draft copies of the form of proxy and letter of transmittal are attached as Exhibit "C" and Exhibit “D” to Affidavit #1).

38. All such documents may contain such amendments thereto as the Petitioner (based on the advice of its solicitors) may determine are necessary or desirable, provided such amendments are not inconsistent with the terms of the Interim Order.

Quorum and Voting at the Meeting

39. The quorum for the transaction of business at the Meeting shall be one person or more present and being, or representing by proxy, two or more shareholders entitled to attend and vote at the meeting.

40. The requisite approval for the Arrangement Resolution shall be not less than 66 2/3% of the votes cast by Pegasus Shareholders present in person or represented by proxy at the Meeting.

Rights of Dissent

41. Registered Pegasus Shareholders shall have rights of dissent in respect of the Arrangement Resolution equivalent to those provided in Division 2 of Part 8 of the BCBCA.

42. Registered Pegasus Shareholders will be the only Pegasus Shareholders entitled to exercise such right of dissent. Accordingly, a Non-Registered Pegasus Shareholder desiring to exercise Dissent Rights must make arrangements for such beneficially owned Pegasus Shares to be registered in such holder’s name prior to the time the written objection to the Arrangement Resolution is required to be received by the Pegasus, or alternatively, make arrangements for the registered holder of such Pegasus Shares to dissent on such holder’s behalf.

43. In order for a Registered Pegasus Shareholder to exercise such right of dissent (the "**Dissent Rights**"):

    a. A Dissenting Pegasus Shareholder must send to Pegasus at its address for such purpose, Morton Law LLP, 1200 – 750 West Pender Street, Vancouver BC, V6C 2T8, Attn: Sandy Fong, a written notice of dissent to the Arrangement Resolution, which written notice of dissent must be received by 5:00 pm (Vancouver time) on April 27, 2026, or at least two business days immediately preceding the date of any postponement or adjournment of the Meeting.

    b. A Dissenting Pegasus Shareholder must not have voted his, her, or its Pegasus Shares at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution;

    c. A Dissenting Pegasus Shareholder must dissent with respect to all of the Pegasus Shares held by such person; and

    d. The exercise of such Dissent Rights must otherwise comply with the requirements of Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, the Interim Order, and the Final Order.

United States Securities Laws

44. There are Pegasus Shareholders and holders of Pegasus Options in the United States. Pegasus hereby advises the Court that, based upon the Final Order, it and Aero intend to rely upon the exemption from the registration requirements of the United States Securities Act of 1933 (the "**1933 Act**") pursuant to Section 3(a)(10) thereof with respect to the issuance and exchange pursuant to the Arrangement of the Aero Shares for the Pegasus Shares and the issuance and exchange of Replacement Options for Pegasus Options.

45. Section 3(a)(10) of the 1933 Act provides an exemption from the general registration requirements of the 1933 Act for securities issued in exchange for one or more *bona fide* outstanding securities where the terms and conditions of the issuance and exchange of such securities have been approved as substantively and procedurally fair by a court of competent jurisdiction that is expressly authorized by law to grant such approval after a hearing upon the substantive and procedural fairness of such terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued in such exchange have the right to appear and have received timely notice thereof.

46. In order to ensure that the issuance of the Share Consideration and the Replacement Options pursuant to the Arrangement will be exempt from the registration requirements under section 3(a)(1) of the 1933 Act, it is necessary that:

    a. Prior to the hearing required to approve the Arrangement, the Court is advised of the intention of the parties to rely on section 3(a)(10) of the 1933 Act based on the Court's approval of the Arrangement;

b. All persons entitled to receive consideration pursuant to the Arrangement are given adequate notice of advising them of their rights to attend the hearing of the Court to approve the Arrangement and are provided with sufficient information necessary for them to exercise that right; there cannot be any improper impediment to the appearance by such persons at the hearing of the Court to approve the Arrangement;

c. All persons entitled to receive the Aero Shares or Replacement Options pursuant to the Arrangement are advised that such Aero Shares and Replacement Options have not been registered under the 1933 Act and will be issued by Aero in reliance on the exemption from registration provided under section 3(a)(10) of the 1933 Act;

d. The Interim Order specifies that each person entitled to receive the Aero Shares or Replacement Options pursuant to the Arrangement will have the right to appear before the Court at the hearing of the Court to approve the Arrangement so long as they enter an appearance within a reasonable time; and

e. The Court holds a hearing before approving the fairness of the terms and conditions of the Arrangement and issuing the Final Order, the Court finds, prior to approving the Final Order, that the terms and conditions of the issuance and exchange of the Aero Shares for Pegasus Shares and the issuance and exchange of the Replacement Options for Pegasus Options, pursuant to the Arrangement are fair and reasonable to all persons who are entitled to receive securities in the exchange pursuant to the Agreement, and the Final Order expressly states that the terms and conditions of the issuance and exchange of such securities is fair and reasonable to all persons entitled to receive securities in exchange.

47. Pegasus and Aero do not wish to proceed with the transactions contemplated by the Plan of Arrangement, except by way of an arrangement under the BCBCA, so that Pegasus and Aero may rely on the exemption provided by Section 3(a)(10) of the 1933 Act. If such exemption were not available, compliance with the United States securities laws would likely subject Pegasus and Aero to inordinate costs and inconvenience, and delay implementation of the Arrangement, none of which Pegasus believes is in the best interests of the Pegasus Securityholders.

Part 3: LEGAL BASIS

1. The Petitioner relies on sections 186, 238, 242-247, 288-299 of the BCBCA, Supreme Court Civil Rules 1-2(4),1-3, 2-1(2)(b), 4-4, 4-5, 8-1, and 16-1, and the inherent jurisdiction of this Court.

2. Section 288(1) of the BCBCA permits a company to propose an arrangement with its shareholders, creditors or other persons and may, in that arrangement, make any proposal it considers appropriate.

3. Section 288(2) of the BCBCA sets out two preconditions for an arrangement to take effect: (a) the adoption of the arrangement in accordance with section 289, and (b) court approval under section 291.

4. This Court has recognized that section 291 of the BCBCA contemplates three steps in the process of approving an arrangement:

    a. An application for an interim order for directions calling a shareholders' (and possibly other securityholders') meeting to consider and vote on the Arrangement;

    b. A meeting of shareholders (and possibly other securityholders) where the arrangement must be voted on and approved by special resolution; and

    c. An application for final approval of the Arrangement.

Re Plutonic Power Corporation, 2011 BCSC 804 ("***Plutonic***") at para. 16

5. The Petitioner intends to apply for an Interim Order for directions, and following the Meeting to be held in compliance with the terms of the Interim Order, return to this Court for approval of the Arrangement.

6. An interim order is preliminary in nature. The purpose of the interim order is to set the wheels in motion for the application process relating to the arrangement and to establish the parameters for the holding of shareholder meetings to consider approval of the arrangement in accordance with the statute.

Mason Capital Management LLC v TELUS Corp, 2012 BCSC 1582 ("***Mason***") at para. 31

7. In order to grant an interim order, a court needs only to satisfy itself that reasonable grounds exist to regard the proposed transaction as an 'arrangement'. The court will consider the merits and fairness of the arrangement at the final hearing stage.

Mason at para. 32

8. In determining whether a plan of arrangement should be approved, the court must focus on the terms and impact of the arrangement itself, rather than on the process by which it was reached. What is required is that the arrangement itself, viewed substantively and objectively, be suitable for approval.

Plutonic at para 19 citing B.C.E at para 136

9. The principles to be applied in considering an application for court approval of a plan of arrangement were set out by the Supreme Court of Canada in *B.C.E. Inc. v. 1976 Debenture Holders*, 2008 SCC 69 ("B.C.E"):

    a. In seeking approval of an arrangement, the corporation bears the onus of satisfying the court that the statutory procedures have been met, the application has been put forward in good faith, and the arrangement is fair and reasonable: at para. 137.

b. In order to determine whether a plan of arrangement is fair and reasonable, the court must be satisfied that the plan serves a valid business purpose and that it adequately responds to the objections and conflicts between different affected parties: at paras. 138, 143.

c. Whether a plan of arrangement is fair and reasonable is determined by taking into account a variety of relevant factors, including the necessity of the arrangement to the corporation's continued existence, the approval, if any, of a majority of shareholders and other security holders entitled to vote, and the proportionality of the impact on affected groups: at paras. 144-154.

Plutonic at para. 19 citing B.C.E.

10. Under the valid business purpose prong of the fair and reasonable analysis, courts must be satisfied that the burden imposed by the arrangement on security holders is justified by the interests of the corporation. The proposed plan of arrangement must further the interests of the corporation as an ongoing concern.

Plutonic at para. 19 citing B.C.E. at para. 145

11. The second prong of the fair and reasonable analysis focuses on whether the objections of those whose rights are being arranged are being resolved in a fair and balanced way. The court must be careful not to cater to the special needs of one particular group but must strive to be fair to all involved in the transaction depending on the circumstances that exist. The overall fairness of any arrangement must be considered as well as fairness to various individual stakeholders.

Plutonic at para. 19 citing B.C.E. at para. 147-148

12. The following list of non-exhaustive factors has been considered by courts in applying the above principles:

a. The necessity of the arrangement to the continued operations of the corporation. Necessity is driven by the market conditions that a corporation faces. The degree of necessity of the arrangement has a direct impact on the court's level of scrutiny;

b. Although not determinative, courts have placed considerable weight on whether a majority of security holders has voted to approve the arrangement. Voting results offer a key indication of whether those affected by the plan consider it to be fair and reasonable;

c. The proportionality of the compromise between various security holders;

d. The security holders' position before and after the arrangement;

e. whether the plan has been approved by a special committee of independent directors;

f. the presence of a fairness opinion from a reputable expert;

g. the access of shareholders to dissent rights;

h. the impact on various security holders' rights; and

i. the repute of the directors and advisors who endorse the arrangement and the arrangement's terms.

Plutonic at para. 19 citing B.C.E. at para. 146, 150, 152

13. The overall determination of whether an arrangement is fair and reasonable is fact-specific and may require the assessment of different factors in different situations.

Plutonic at para. 19 citing B.C.E. at para. 153

14. There is no such thing as a perfect arrangement. What is required is a reasonable decision in light of the specific circumstances of each case, not a perfect decision.

Plutonic at para. 19 citing B.C.E. at para. 155

15. The Arrangement in this case is put forward in good faith and is fair and reasonable. On that basis, the Petitioner asks that the court grant its application for the Interim Order and the Final Order.

MATERIAL TO BE RELIED ON

1. The Affidavit #1 of Christian Timmins, made March 24, 2026;

The pleadings filed herein; and

Such further materials as counsel for Pegasus may advise.

Dated: 24/March/2026

Signature of lawyer for the petitioner
Nicole Chang

To be completed by the court only:

Order made

☐ in the terms requested in paragraph _____ of Part 1 of this petition

☐ with the following variations and additional terms:

_____

_____

_____

Dated: _____/_____/2026

_____

Signature of ☐ Judge ☐ Associate Judge

SCHEDULE "A"

No. _____
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT,* S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
PEGASUS RESOURCES INC., ITS SHAREHOLDERS AND AERO ENERGY LIMITED

PEGASUS RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION
(INTERIM ORDER)

BEFORE ASSOCIATE JUDGE 26/March/2026

ON THE APPLICATION of the Petitioner, Pegasus Resources Inc. ("**Pegasus**") for an Interim Order under section 291 of the *Business Corporations Act* (British Columbia), S.B.C. 2002, c. 57, as amended (the "**BCBCA**") in connection with an arrangement involving Pegasus, the holders (the "**Pegasus Shareholders**") of Pegasus common shares (the "**Shares**", and each a "**Share**"), and Aero Energy Limited ("**Aero**") under section 288 of the BCBCA.

☑ without notice coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on March 26, 2026 and on hearing Lauren Gnanasihamany, counsel for Pegasus, and upon reading the Petition filed herein and the Affidavit No. 1 of Christian Timmins made March 24, 2026 (the "**Affidavit**") and filed herein.

THIS COURT ORDERS that:

ANNUAL GENERAL AND SPECIAL MEETING

1. Pursuant to sections 186, 288, 289(1)(a)(i) and (e), 290 and 291(2)(b)(i) of the BCBCA, Pegasus is authorized and directed to call, hold and conduct an annual general and special meeting (the "Meeting") of the Pegasus Shareholders on April 29, 2026 at 11:00 a.m. (Vancouver time) at Suite 1200, 750 West Pender Street, Vancouver, BC V6C 2T8:

    (a) to consider and, if deemed advisable, to pass, with or without variation, among other things, a special resolution (the "Arrangement Resolution") of the Pegasus Shareholders authorizing and approving an arrangement (the "Arrangement") under Division 5 of Part 9 of the BCBCA; and

    (b) to transact such other business, as may properly be brought before the Meeting, or any adjournment or postponement thereof.

2. The Meeting shall be called, held and conducted in accordance with the BCBCA, the notice of annual general and special meeting of the Pegasus Shareholders (the "Notice") and the management information circular, which is attached as Exhibit "A" to the Affidavit (the "Information Circular"), the articles of Pegasus and applicable securities laws, subject to the terms of this Interim Order and any further Order of this Court, as well as the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order, and to the extent of any inconsistency this Interim Order shall govern or, if not specified in the Interim Order, the Information Circular shall govern.

AMENDMENTS

3. Pegasus is authorized to make, in the manner contemplated by and subject to the arrangement agreement between Pegasus and Aero dated February 27, 2026 (the "Arrangement Agreement"), such amendments, modifications or supplements to the Arrangement, the Plan of Arrangement, the Arrangement Agreement, the Notice and the Information Circular as it may determine without any additional notice to or authorization of the Pegasus Shareholders or further orders of this Court. The Arrangement, the Plan of Arrangement, the Arrangement Agreement, the Notice and the Information Circular as so amended, modified or supplemented, shall be the Arrangement, the Plan of Arrangement, the Arrangement Agreement, the Notice and the Information Circular to be submitted to Pegasus Shareholders at the Meeting, as applicable, and the subject of the Arrangement Resolution.

ADJOURNMENTS AND POSTPONEMENTS

4. Notwithstanding the provisions of the BCBCA and the articles of Pegasus, and subject to the terms of the Arrangement Agreement, the board of directors of Pegasus (the "Board") shall be entitled to adjourn or postpone the Meeting by resolution on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Pegasus Shareholders respecting such adjournment or postponement and without the need for approval of this Court. Notice of any such adjournment or postponement shall be given by press release, newspaper advertisement or notice sent to the Pegasus Shareholders by one of the methods specified in paragraph 8 of this

Interim Order, as determined to be the most appropriate method of communication by the Board, subject to the terms of the Arrangement Agreement.

5. The Record Date (as defined below) shall remain the same despite any adjournments or postponements of the Meeting.

RECORD DATE

6. The record date for determining Pegasus Shareholders and holders ("**Pegasus Optionholders**") of options to purchase the Shares (the "**Pegasus Options**") entitled to receive the Notice, the Information Circular (which shall include, amongst other things, a copy of the Petition, the Notice of Hearing of Petition for Final Order, and the Interim Order granted), the Plan of Arrangement and the form of proxy or voting instruction form for use by the Pegasus Shareholders (collectively, the "**Meeting Materials**"), shall be the close of business on March 20, 2026 (the "**Record Date**"), as previously approved by the Board and published by Pegasus. The Record Date shall remain the same despite any adjournments or postponements of the Meeting.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

7. The Information Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and Pegasus shall not be required to send to the Pegasus Shareholders any other or additional statement pursuant to section 290(1)(a) of the BCBCA.

8. The Meeting Materials, in substantially the same form as the Exhibits to the Affidavit, with such deletions or additional documents as counsel for Pegasus may advise are necessary or desirable, and as are not inconsistent with the terms of the Interim Order, shall be sent:

   (a) to registered Pegasus Shareholders and Pegasus Optionholders as they appear on the securities register(s) of Pegasus or the records of its registrar and transfer agents as at the close of business on the Record Date, such Meeting Materials to be sent at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmittal and the date of the Meeting, by one or more of the following methods:

      (i) by prepaid ordinary or air-mail addressed to such Pegasus Shareholder and Pegasus Optionholders at his, her, or its address as it appears on the applicable securities registers of Pegasus or its registrar and transfer agent as at the Record Date;

      (ii) by delivery in person or by courier to the addresses specified in paragraph 8(a)(i) above; or

      (iii) by email or facsimile transmission to any such Pegasus Shareholder and Pegasus Optionholders who identifies himself, herself or itself to the satisfaction of Pegasus (acting through its representatives), who requests such email or facsimile transmission and pays for the transmission fees in accordance with such request; and

(b) to non-registered Pegasus Shareholders (those whose names do not appear in the securities register of Pegasus), by sending copies of the Meeting Materials to intermediaries and registered nominees to facilitate the distribution of the Meeting Materials to beneficial owners in accordance with the procedures prescribed by National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators at least three (3) business days prior to the thirtieth (30th) day prior to the date of the Meeting.

9. The Meeting Materials shall be sent to the directors and auditor of Pegasus by prepaid ordinary mail or by delivery in person or by recognized courier service or by email or facsimile transmission at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery, or transmission.

10. Substantial compliance with the delivery of the Meeting Materials as ordered herein shall constitute good and sufficient notice of the Meeting, including compliance with the requirements of section 290(1)(a) of the BCBCA, and Pegasus shall not be required to send to any Pegasus Shareholder or Pegasus Optionholders any other or additional statement pursuant to section 290(1) of the BCBCA or otherwise.

11. The sending of the Meeting Materials, which includes the Petition, Notice of Hearing of the Petition and the Interim Order in accordance with paragraph 8 of this Order shall constitute good and sufficient service of such Petition and Notice of Hearing upon all who may wish to appear in these proceedings, and no other service need be made and no other material need to be served on persons in respect of these proceedings except upon written request to the solicitors for Pegasus at their address for service set out in the Petition. In particular, service of the Petition and any supporting affidavits is dispensed with.

12. Accidental failure of or omission by Pegasus to give notice to any one or more Pegasus Shareholder or Pegasus Optionholders or any other persons entitled thereto, or the non-receipt of such notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Pegasus (including, without limitation, any inability to use postal services) shall not constitute a breach of this Interim Order or a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Pegasus, then it shall use commercially reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

13. Pegasus shall be at liberty to give notice of this application to persons outside the jurisdiction of this Court in the manner specified herein.

14. Provided that notice of the Meeting is given and the Meeting Materials are provided to the Pegasus Shareholders, and any other persons entitled thereto in compliance with this Interim Order, the requirement of section 290(1)(b) of the BCBCA to include certain disclosure in any advertisement of the Meeting is waived.

15. In the event of a postal strike, lockout or event that prevents, delays or otherwise interrupts mailing of the Meeting Materials by prepaid ordinary mail (the "**Postal Service Disruption**") as provided for in paragraph 8 herein:

(a) Pegasus shall cause an advertisement (the "**Advertisement**") to be placed in a major daily newspaper of national circulation, stating:

i. the date, place, and time of the Meeting;

ii. the measures implemented by Pegasus to ensure delivery or transmission of proxies or other Meeting Materials by the Pegasus Shareholders to Pegasus in relation to the Meeting within the required time period and at no cost to the Pegasus Shareholders; and

iii. that the Meeting Materials are available, without charge, for review via the internet at the SEDAR+ website (www.sedarplus.ca) or for delivery to Pegasus Shareholders by electronic mail or by courier upon request made to Pegasus;

(b) the Advertisement shall be made on or before the date upon which notice of the Meeting would otherwise be sent to the Pegasus Shareholders, in the event that a Postal Service Disruption had not occurred;

(c) Pegasus shall, concurrently with the Advertisement, issue a press release containing the information set out in paragraph 15(a) herein and stating that the Advertisement and press release are being made in accordance with this order in lieu of prepaid ordinary mail due to the Postal Service Disruption; and

(d) For proxies, voting instruction forms, and other Meeting Materials that are required to be delivered to Pegasus for the purposes of the Meeting, Pegasus shall implement measures that enable Pegasus Shareholders, during the Postal Service Disruption, to effect delivery or transmission by the Pegasus Shareholders of said proxies, voting instruction forms or other materials within the required period at no cost to Pegasus Shareholders.

DEEMED RECEIPT OF NOTICE

16. The Meeting Materials and any amendments, modifications, updates or supplements to the Meeting Materials and any notice of adjournment or postponement of the Meeting, shall be deemed to have been received, for the purposes of this Interim Order:

(a) in the case of mailing pursuant to paragraph 8(a)(i) above, the day, Saturdays, Sundays and holidays excepted, following the date of mailing;

(b) in the case of delivery in person pursuant to paragraph 8(a)(ii) above, the day following personal delivery or, in the case of delivery by courier, one (1) business day after receipt by the courier;

(c) in the case of transmission by email or facsimile pursuant to paragraph 8(a)(iii) above, upon the transmission thereof;

(d) in the case of Advertisement, at the time of publication of the Advertisement;

(e) in the case of electronic filing on SEDAR+, upon the transmission thereof; and

(f) in the case of beneficial Pegasus Shareholders, three (3) days after delivery thereof to intermediaries and registered nominees.

UPDATING MEETING MATERIALS

17. Notice of any amendments, modifications, updates or supplements to any of the information provided in the Meeting Materials may be communicated, at any time prior to the Meeting, to the

Pegasus Shareholders or any other persons entitled thereto, by press release, news release, newspaper advertisement or by notice sent to the Pegasus Shareholder by any of the means set forth in paragraphs 8 or 15, as determined to be the most appropriate method of communication by the Board, subject to the terms of the Arrangement Agreement.

PERMITTED ATTENDEES

18. The only persons entitled to attend the Meeting shall be:

    (a) the registered Pegasus Shareholders and Pegasus Optionholders as at 5:00 p.m. (Vancouver time) on the Record Date, or their respective proxyholders;

    (b) directors, officers, auditors and advisors of Pegasus;

    (c) directors, officers, auditors and advisors of Aero; and

    (d) other persons with the prior permission of the Chair of the Meeting;

    and the only persons entitled to be represented and to vote at the Meeting shall be the registered Pegasus Shareholders at the close of business on the Record Date, or their respective proxyholders.

SOLICITATION OF PROXIES

19. Pegasus is authorized to use the form of proxy in connection with the Meeting, in substantially the same form as is attached as Exhibit "C" to the Affidavit, subject to Pegasus's ability to insert dates and other relevant information in the final form thereof and to make other non-substantive changes and changes legal counsel advise are necessary or appropriate. Pegasus is authorized, at its expense, to solicit proxies directly and through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose and by mail, telephone or such other form of personal or electronic communication as it may determine.

20. The procedures for the use of proxies at the Meeting and revocation of proxies shall be as set out in the Notice and the Information Circular.

21. Subject to the terms of the Arrangement Agreement, Pegasus may, in its discretion generally waive the time limits for the deposit of proxies by Pegasus Shareholders if Pegasus deems it advisable to do so, such waiver to be endorsed on the proxy by the initials of the Chair of the Meeting.

QUORUM AND VOTING

22. A quorum at the Meeting shall be one person or more present and being, or representing by proxy, two or more shareholders entitled to attend and vote at the meeting.

23. At the Meeting, and in respect of the Arrangement Resolution, each Pegasus Shareholder whose name is entered in on the central securities register of Pegasus as at the close of business on the Record Date is entitled to one (1) vote for each Share registered in his/her/its name.

24. The requisite approval to pass the Arrangement Resolution shall be the affirmative vote of 66⅔% of the votes cast by Pegasus Shareholders present in person or represented by proxy at the Meeting.

SCRUTINEER

25. The scrutineer for the Meeting shall be Computershare Trust Company of Canada (acting through its representatives for that purpose).

SHAREHOLDER DISSENT RIGHTS

26. Each registered Pegasus Shareholder is granted rights to dissent (the "**Dissent Rights**") in respect of the Arrangement Resolution in accordance with sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order, including that:

    (a) a registered Pegasus Shareholder who wishes to dissent (a "**Dissenting Pegasus Shareholder**") must deliver a written notice of dissent (a "**Notice of Dissent**") to Pegasus at Morton Law LLP, 1200 – 750 West Pender Street, Vancouver BC, V6C 2T8, Attn: Sandy Fong to be received by Pegasus no later than 5:00 pm (Vancouver time) on April 27, 2026, or if the Meeting is adjourned or postponed, the date that is at least two Business Days preceding the date of the reconvened or postponed Meeting;

    (b) a Notice of Dissent must specify the name and address of the Dissenting Pegasus Shareholder, the number of Shares in respect of which the Notice of Dissent is being given (the "**Notice Shares**") and whichever of the following is applicable:

        (i) if the Notice Shares constitute all of the Shares of which the Dissenting Pegasus Shareholder is both the registered and beneficial owner and the Dissenting Pegasus Shareholder holds no other Shares as beneficial owner, a statement to that effect;

        (ii) if the Notice Shares constitute all of the Shares of which the Dissenting Pegasus Shareholder is both the registered and beneficial owner but the Dissenting Pegasus Shareholder owns additional Shares beneficially, a statement to that effect and the names of the registered Pegasus Shareholders of such additional Shares, the number of such additional Shares held by each of those registered owners and a statement that Notices of Dissent are being, or have been, sent with respect to all such additional Shares; or

        (iii) if the Dissent Rights are being exercised by a registered Pegasus Shareholder on behalf of a non-registered Pegasus Shareholder who is not the Dissenting Pegasus Shareholder, a statement to that effect and the name and address of the non-registered Pegasus Shareholder and a statement that the registered Pegasus Shareholder is dissenting with respect to all Shares of the non-registered Pegasus Shareholder that are registered in such registered Pegasus Shareholder's name;

    (c) a Dissenting Pegasus Shareholder who has delivered a Notice of Dissent and who votes in favour of the Arrangement Resolution will no longer be considered a Dissenting Pegasus Shareholder. A Pegasus Shareholder need not vote its Shares against the Arrangement Resolution in order to dissent. A vote against the Arrangement Resolution, whether in person or by proxy, does not constitute a Notice of Dissent;

    (d) Pegasus is required, promptly after the later of: (i) the date on which it forms the intention to proceed with the Arrangement, and (ii) the date on which the Notice of Dissent was received to notify each Dissenting Pegasus Shareholder of its intention to act on the Arrangement Resolution;

    (e) if the Arrangement Resolution is approved and if Pegasus notifies the Dissenting Pegasus

Shareholders of its intention to act upon the Arrangement Resolution, the Dissenting Pegasus Shareholder is then required, within one month after Pegasus gives such notice, to send to Pegasus the certificates representing the Notice Shares if such shares are certificated, and a written statement that requires Pegasus to purchase all of the Notice Shares;

(f) if the Dissent Right is being exercised by the Dissenting Pegasus Shareholder on behalf of a non-registered Pegasus Shareholder who is not the Dissenting Pegasus Shareholder, a statement signed by the non-registered Pegasus Shareholder is required which sets out whether the non-registered Pegasus Shareholder is the beneficial owner of other Shares and, if so, (i) the names of the registered owners of such Shares; (ii) the number of such Shares; and (iii) that dissent is being exercised in respect of all of such Shares. Upon delivery of these documents, the Dissenting Pegasus Shareholder is deemed to have sold the Notice Shares and Pegasus is deemed to have purchased them in consideration for a debt claim against Pegasus for the value of the Notice Shares. Once the Dissenting Pegasus Shareholder has done this, the Dissenting Pegasus Shareholder may not vote or exercise any shareholder rights in respect of the Notice Shares;

(g) the Dissenting Pegasus Shareholder and Pegasus may agree on the payout value of the Notice Shares; otherwise, either party may apply to the Court to determine the payout value of the Notice Shares or apply for an order that value be established by arbitration or by reference to the registrar or a referee of the Court. After a determination of the payout value of the Notice Shares, and if the Arrangement is completed, Pegasus must then promptly pay that amount to the Dissenting Pegasus Shareholder to satisfy the debt claim of such Dissenting Pegasus Shareholder against Pegasus arising from the deemed purchase of the Notice Shares by Pegasus. If a Dissenting Pegasus Shareholder is ultimately not entitled, for any reason, to be paid fair value for the Notice Shares, such Dissenting Pegasus Shareholder will be deemed to have participated in the Arrangement on the same basis as a Pegasus Shareholder who has not exercised Dissent Rights and shall be entitled to receive only the Share Consideration that such Pegasus Shareholder would have received pursuant to the Arrangement if such Pegasus Shareholder had not exercised its Dissent Rights; and

(h) a Dissenting Pegasus Shareholder loses his, her or its Dissent Rights if, before full payment is made for the Notice Shares, any of the following events occurs: Pegasus abandons the corporate action that has given right to the Dissent Right (namely, the Arrangement), the Arrangement Resolution does not pass or is revoked; the Arrangement will not proceed; a court permanently enjoins the Arrangement, or the Dissenting Pegasus Shareholder withdraws the Notice of Dissent with Pegasus's consent. When these events occur, Pegasus must return the share certificates, if applicable, to the Dissenting Pegasus Shareholder and the Dissenting Pegasus Shareholder regains the ability to vote and exercise shareholder rights.

27. Notice to the Pegasus Shareholders of their Dissent Rights with respect to the Arrangement Resolution will be given by including information with respect to the Dissent Rights in the Information Circular to be sent to the Pegasus Shareholders with respect to the Arrangement.

28. Subject to further order of this Court, the rights available to the Pegasus Shareholders under the BCBCA and the Plan of Arrangement to dissent from the Arrangement will constitute full and sufficient Dissent Rights for the Pegasus Shareholders with respect to the Arrangement.

APPLICATION FOR FINAL ORDER

29. Upon the approval by the Pegasus Shareholders of the Arrangement Resolution, in the manner set forth in this Interim Order, Pegasus may apply to this Court (the "**Application**") for an Order:

(a) pursuant to section 291(4)(a) of the BCBCA approving the Arrangement; and

(b) pursuant to section 291(4)(c) of the BCBCA declaring that the Arrangement, and the distribution of securities to be affected by the Arrangement, is substantively and procedurally fair and reasonable to the Pegasus Shareholders,

(collectively the "**Final Order**"),

and the hearing of the Application will be held on May 4, 2026, before the presiding Judge in Chambers at 800 Smithe Street, Vancouver, British Columbia or as soon thereafter as the Application can be heard or at such other date and time as this Court may direct.

30. The form of notice of final hearing attached as Exhibit "B" to the Affidavit is hereby approved as the form of notice for the hearing of the application for the Final Order.

31. The Petitioner has advised the Court that:

(a) section 3(a)(10) of the United States *Securities Act of 1933* (the "**1933 Act**"), as amended, provides an exemption from registration for the securities issued in exchange for one or more bona fide outstanding securities, claims or property interests pursuant to an arrangement where the terms and conditions of such issuance and exchange are approved by any court (including this Court), after a hearing on the fairness of such terms and conditions at which all person to whom it is proposed to issue securities in such exchange have the right to appear and receive timely notice thereof;

(b) the Petitioner intends to use the Final Order of this Court approving the Arrangement, and declaring the fairness of the Arrangement, including the terms and conditions hereof and the proposed issuance and exchanges of securities contemplated therein, as a basis for an exemption from registration under the 1933 Act of the issuance of securities contemplated under the Arrangement; and

(c) should the Court make the Final Order approving the Arrangement, the issuance of the Aero Shares and Replacement Options as defined in the Petition and the Information Circular will be exempt from registration under the 1933 Act pursuant to section 3(a)(10) thereof.

32. Any Pegasus Shareholder or Pegasus Optionholders who wishes to appear or be represented and/or present evidence or arguments at the hearing of the application for the Final Order must:

(a) file a Response to Petition, in the form prescribed by the Supreme Court Civil Rules, together with any evidence or material which is to be presented to the Court at the hearing of the Application; and

(b) deliver the filed Response to Petition together with a copy of any evidence or material which is to be presented to the Court at the hearing of the Application, to Pegasus's counsel at:

DWF (trading name for WT BCA LLP)
2400 – 200 Granville Street, Vancouver, BC V6C 1S4

Attention: Nicole Chang & Lauren Gnanasihamany

by or before 4:00 pm (Vancouver time) on April 30, 2026

33. If the application for the Final Order is adjourned, only those persons who have filed and delivered a Response to Petition in accordance with this Interim Order need to be served and provided with notice of the adjourned date.

34. In the event that the hearing of the Application is adjourned, then only those persons who filed and delivered a Response to Petition in accordance with paragraph 32 need be provided with notice of the adjourned hearing date.

35. Subject to other provisions in this Interim Order, no material other than that contained in the Information Circular need be served on any persons in respect of these proceedings and, in particular, service of the Petition herein and the accompanying Affidavit and additional affidavits as may be filed is dispensed with.

VARIANCE

36. Pegasus shall be entitled, at any time, to apply to vary this Interim Order.

37. Rules 8-1 and 16-1(8) – (12) will not apply to any further applications in respect of this proceeding, including the application for the Final Order and any application to vary this Interim Order.

38. Pegasus shall, and hereby does, have liberty to apply for such further orders as may be appropriate.

39. To the extent of any inconsistency or discrepancy between this Interim Order and the Information Circular, the BCBCA, applicable Securities Laws or the articles of Pegasus, this Interim Order will govern.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

_____

Signature of Lawyer for the Petitioner,
Pegasus Resources Inc.
Lawyer: Lauren Gnanasihamany

BY THE COURT

_____

Registrar

SCHEDULE "E"

INFORMATION CONCERNING AERO

[see attached]

INFORMATION CONCERNING AERO

Unless otherwise indicated herein, the following information is presented on a pre-Arrangement basis and reflects the business, financial and share capital position of Aero as at the date of this Information Circular. See "Preliminary Matters - Forward Looking Information" in this Information Circular in respect of forward-looking statements and information that are included in this Schedule "E".

All capitalized terms used in this Schedule "E" and not defined herein have the meaning ascribed to such terms in the "Glossary of Terms" or elsewhere in this Information Circular. The information contained in this Schedule "E", unless otherwise indicated, is given as of the date of this Information Circular. Unless otherwise indicated herein, references to "$" are to Canadian dollars and references to "US$" are to United States dollars.

*Aero completed a consolidation (the "**Consolidation**") of the Aero Shares on the basis of ten pre-Consolidation Aero Shares for every one post-Consolidation Aero Share on December 23, 2025. Unless otherwise indicated, all information relating to Aero in this Schedule "E" is presented on a post-Consolidation basis.*

Galen McNamara, P.Geo., the Chief Executive Officer, Executive Chair and a director of Aero, is a "qualified person" as defined by NI 43-101 and has reviewed and approved the scientific and technical content relating to Aero in this Schedule "E".

Preliminary Note

The information contained in this Schedule "E" has been prepared by management of Aero and contains information in respect of the business and affairs of Aero. With respect to this information, each of the Urano Board and Pegasus Board has relied exclusively upon Aero without independent verification by Urano or Pegasus, respectively. Although neither Urano nor Pegasus has any knowledge that would indicate that such information is untrue or incomplete, neither Urano, Pegasus nor any of their respective directors or officers assumes any responsibility for the accuracy or completeness of such information.

Financial Information

The audited consolidated financial statements of Aero for the financial years ended April 30, 2025 and April 30, 2024, including any notes or schedules thereto and the auditor's report thereon (the "**Aero Annual Financial Statements**"), as well as the management's discussion and analysis of the financial condition and results of operations of Aero for the financial years ended April 30, 2025 and April 30, 2024 (the "**Aero Annual MD&A**"), are attached as Exhibit "A" to this Schedule "E", and the unaudited consolidated financial statements for the six months ended October 31, 2025 (the "**Aero Interim Financial Statements**"), as well as management's discussion and analysis of the financial condition and results of operations of Aero for the six months ended October 31, 2025 (the "**Aero Interim MD&A**"), are attached as Exhibit "B" to this Schedule "E", each of which form an integral part of this Information Circular as of the date of this Information Circular.

Overview

Aero's principal business purpose is the exploration and development of uranium mineral properties in North America, with its current focus on the Murmac Project and Strike Project in Saskatchewan and the Apex Project and Huber Hills Project in Nevada, of which the Murmac Project and Strike Project are Aero's material mineral projects.

Name, Address and Incorporation

Aero was incorporated under the *Canada Business Corporations Act* on October 6, 2004 under the name "Huntingdon Capital Inc.". Aero changed its name to "MetroBridge Networks International Inc." on July 25, 2007 and to "Clemson Resources Corp." on December 5, 2011. On October 22, 2012, Aero continued into British Columbia under the *Business Corporations Act* (British Columbia) (the "**BCBCA**"). Aero changed its name to "Oyster Oil and Gas Ltd." on April 15, 2013, to "ZTR Acquisition Corp." on June 12, 2019, to "Angold Resources Ltd. on December 21, 2020 and to "Aero Energy Limited" on February 8, 2024.

Aero's head office is located at Suite 918, 1030 West Georgia Street Vancouver, BC V6E 2Y3 and its registered office is located at Suite 401 - 353 Water Street, Vancouver, BC V6M 1A8.

Aero is a reporting issuer in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Québec and Saskatchewan, and the Aero Shares are listed on the TSXV under the symbol "AERO", on the Frankfurt Stock Exchange under the symbol "UU3", and on the OTC Pink under the symbol "AAUGF".

Intercorporate Relationships

As of the date of this Information Circular, Aero has nine wholly-owned subsidiaries:

- 1443904 B.C. Ltd. (British Columbia);
- Federal Gold Corp. (British Columbia) ("**Federal Gold**");
- TY & Sons Explorations (Chile) Inc. (British Columbia) ("**TY & Sons**"), which is held indirectly through Federal Gold;
- Rio Explorations SpA (Chile), which is held indirectly through TY & Sons;
- Angold Resources (USA) Ltd. (Nevada), which is held indirectly through Federal Gold;
- Kraken Energy Corp. (British Columbia) ("**Kraken**");
- Kraken Nevada Corp. (Nevada), which is held indirectly through Kraken;
- Panerai Capital Corp. (British Columbia) ("**Panerai**"), which is held indirectly through Kraken; and
- Panerai Capital USA Corp. (Nevada), which is held indirectly through Panerai.

General Development of the Business – Three Year History

The following is a discussion of the general development of Aero's business over the last three financial years ended April 30, 2025, 2024 and 2023. The discussion includes the major events or conditions that have influenced that development through the aforementioned period.

Financial Year Ended April 30, 2023

On June 13, 2022, August 16, 2022, October 12, 2022 and November 7, 2022, Aero announced updates on and results of its drilling program at the Iron Butte Project in Nevada.

On September 13, 2022, Aero announced the commencement of field work at the Uchi Project in Ontario.

On October 17, 2022, Aero announced its entry into an option agreement with Hightest Resources, LLC with respect to the Hope Butte Project in Oregon.

On December 15, 2022, Aero announced the appointment of Galen McNamara as Chief Executive Officer of Aero and the commencement of a strategic review of Aero's portfolio.

On March 1, 2023, Aero completed a non-brokered private placement of 102,500 Aero Shares at a price of $2.00 for aggregate gross proceeds of $205,000.

On April 27, 2023, Aero announced the resignation of Gavin Cooper as Chief Financial Officer of Aero and the appointment of Carson Halliday as Chief Financial Officer of Aero. Aero granted to Mr. Halliday 2,000 Aero Options exercisable at a price of $5.00 per Aero Share until April 26, 2028.

Financial Year Ended April 30, 2024

On May 18, 2023, Aero announced the completion of its assignment of its interests in the Iron Butte Project and Hope Butt Project to Lode Metals Corp. in consideration for 10,000,000 common shares of Lode Metals Corp.

On June 7, 2023, Aero completed a consolidation of the Aero Shares on the basis of ten pre-consolidation Aero Shares for every one post-consolidation Aero Share.

On June 26, 2023, Aero issued non-interest bearing, unsecured, and payable on demand promissory notes for aggregate gross proceeds of $30,000.

On November 7, 2023, Aero completed a non-brokered private placement of 1,688,000 Aero Shares at a price of $0.50 for aggregate gross proceeds of $844,000 and issued 302,000 Aero Shares to settle aggregate indebtedness of $151,000 at a price of $0.50 per Aero Share.

On December 22, 2023, Aero announced that it had relinquished all mineral titles associated with the Uchi Project in Ontario.

On January 24, 2024, Aero announced the engagement of Fairfax Partners Inc. for corporate development and investor relations services in consideration for a monthly fee of $10,000 per month for an initial term of twelve months.

On February 7, 2024, Aero announced the formation of a technical team.

Acquisition of 1443904 B.C. Ltd.

On February 8, 2024, Aero completed the acquisition of 1443904 B.C. Ltd. ("**Numberco**") for consideration of 2,350,000 Aero Shares pursuant to a share exchange agreement dated December 21, 2023 (the "**Share Exchange Agreement**"). Numberco held options to acquire up to 70% of the Murmac Project and Strike Project in Saskatchewan and 100% of the Sun Dog Project in Saskatchewan (collectively, the "**Black Bay Project**") as follows:

(a) Sun Dog Project

	Cash	Shares	Exploration Expenditures	Interest Earned
Execution Date	$200,000	$200,000	-	
October 20, 2024	$200,000	$200,000	$1,500,000	
October 20, 2025	$250,000	$250,000	$2,000,000	
October 20, 2026	-	-	$3,000,000	
Total	**$650,000**	**$650,000**	**$6,500,000**	**100%**

Following the exercise of the option to acquire the Sun Dog Project, Standard Uranium Ltd. will retain a 2% net smelter returns royalty, which may be reduced to 1% for a cash payment of $1,000,000.

(b) Murmac Project and Strike Project

	Cash	Shares	Exploration Expenditures	Interest Earned
Execution Date	$200,000	$200,000	-	-
December 15, 2024	$200,000	$200,000	$1,000,000	-
December 15, 2025	$250,000	$250,000	$2,000,000	-
Total (First Option)	**$650,000**	**$650,000**	**$3,000,000**	**51%**
December 15, 2026	$300,000	$300,000	$3,000,000	
Total (Second Option)	**$300,000**	**$300,000**	**$3,000,000**	**60%**
December 15, 2027	$400,000	$1,200,000	Nil	
Total (Third Option)	**$400,000**	**$1,200,000**	**-**	**70%**
Grand Total	**$1,350,000**	**$2,150,000**	**$6,000,000**	

The Murmac Project is subject to an existing 2% net smelter returns royalty.

After Aero earns a 51%, 60% or 70% interest, as applicable, Aero and Fortune Bay will form a joint venture with standard pro-rata funding requirements. On December 11, 2025, Aero announced its entry into an amendment to the option agreement.

On February 13, 2024, Aero changed its name from "Angold Resources Ltd." to "Aero Energy Limited" and the Aero Shares began trading under the ticker symbol "AERO" on the TSXV.

On March 6, 2024, Aero completed the first tranche of a non-brokered private placement for aggregate gross proceeds of $4,537,170, comprised of (i) 1,241,847 non-flow-through units of Aero at a price of $1.50 per unit; (ii) 842,514 flow-through units of Aero at a price of $1.75 per unit; and (iii) 527,472 flow-through charity units at a price of $2.275. Each unit consists of one Aero Share and one-half of one (1/2) Aero Warrant exercisable at a price of $2.50 per Aero Share March 5, 2026. In connection with this tranche, Aero paid and issued aggregate finder's fees of $199,595 in cash and 110,753 finder's Aero Warrants exercisable at a price of $2.50 per Aero Share until March 5, 2026.

On March 8, 2024, Aero completed the second and final tranche of a non-brokered private placement for additional aggregate gross proceeds of $1,362,830, comprised of (i) 569,391 non-flow-through units at a price of $1.50 per unit and (ii) 290,710 flow-through units at a price of $1.75 per unit. Each unit consists of one Aero Share and one-half of one (1/2) Aero Warrant exercisable at a price of $2.50 per Aero Share March 8, 2026. In connection with this tranche, Aero paid and issued aggregate finder's fees of $94,552 in cash and 59,643 finder's Aero Warrants exercisable at a price of $2.50 per Aero Share until March 8, 2026.

On March 26, 2024, Aero announced the commencement of an airborne survey of the Murmac Project and Sun Dog Project in Saskatchewan.

On April 3, 2024, Aero announced the engagement of Team Drilling LP for a drilling program at the Murmac Project, Strike Project and Sun Dog Project in Saskatchewan.

Financial Year Ended April 30, 2025

On May 4, 2024, Martin Bajic was appointed to replace Carson Halliday as Chief Financial Officer and Corporate Secretary of Aero.

On July 18, 2024, Aero announced drill targets at the Sun Dog Project in Saskatchewan.

On June 25, 2024, July 24, 2024 and October 8, 2024, Aero announced updates on and results of its drilling program at the Murmac Project in Saskatchewan.

On July 25, 2024, September 5, 2024 and November 15, 2024, Aero announced updates on and results of its drilling program at the Sun Dog Project in Saskatchewan.

On November 14, 2024, Aero completed non-brokered private placement for aggregate gross proceeds of $2,034,219, comprising: (i) 896,500 non-flow-through units of Aero at a price of $0.70 per unit; (ii) 763,750 flow-through units of Aero at a price of $0.80 per unit; and (iii) 740,157 flow-through charity units of Aero at a price of $1.075. Each unit consists of one Aero Share and one-half of one (1/2) Aero Warrant exercisable at a price of $1.10 per Aero Share until November 14, 2026. In connection with this private placement, Aero paid and issued aggregate finder's fees of $99,779 in cash and 88,736 finder's Aero Warrants exercisable at $1.10 per Aero Share until November 14, 2026.

On December 10, 2024, February 20, 2025, March 19, 2025 and September 26, 2025, Aero announced updates on its drilling program at the Murmac Project in Saskatchewan.

On January 2, 2025, Aero granted 220,000 Aero Options exercisable at a price of $0.70 per Aero Share until January 2, 2030.

Events Subsequent to the Financial Year Ended April 30, 2025

On May 7, 2025, Aero announced the completion of a ground gravity survey on and drill program results from the Sun Dog Project in Saskatchewan.

On December 9, 2025, Aero announced that it had entered into a definitive agreement to sell 100% of the shares of RIO Explorations SpA, which holds the Dorado Project and Cordillera Project in Chile, to Batik Resources Ltd. in consideration for $700,000 in cash and $2,900,000 in common shares of Batik Resources Ltd.

On December 11, 2025, Aero announced its entry into an amendment to the option agreement dated December 15, among 7153945 Canada Inc., Fortune Bay and 1443904 B.C. Ltd., and as assigned to and assumed by Aero, such that Aero must either:

- incur or fund the outstanding $500,000 in exploration expenditures (the "**Remaining First Option Expenditures**") to partially earn an initial 51% interest in the Murmac and the Strike Project in Saskatchewan (the "**First Option Interest**"), in addition to certain cash and share payments in accordance with the Murmac-Strike Option Agreement (the "**First Option Payments**");

- pay a cash deposit to Fortune Bay Corp. and 1443904 B.C. Ltd. equal to the Remaining First Option Expenditures (the "**Cash Deposit**"); or

- complete a combination of the foregoing, all by March 15, 2026. Fortune Bay and 1443904 B.C. Ltd. will use any Cash Deposit to incur or fund the Remaining First Option Expenditures on behalf of and for Aero by October 31, 2026 (the "**Deadlin**e"), with any unused portion of the Cash Deposit returned to Aero following the Deadline.

In order to earn the First Option Interest, (i) the Remaining First Option Expenditures must be incurred or funded by the Deadline and (ii) Aero must complete the First Option Payments (which remain unchanged).

On December 11, 2025, Aero announced that it had relinquished its option to acquire the Sun Dog Project in Saskatchewan from Standard Uranium Ltd.

Kraken Arrangement

On June 20, 2025, Aero acquired all of the issued and outstanding common shares in the capital of Kraken Energy Corp. by way of a court-approved plan of arrangement (the "**Kraken Arrangement**") under the *Canada Business Corporations Act* pursuant to the arrangement agreement dated April 1, 2025 (the "**Kraken Arrangement Agreement**") between Aero and Kraken.

Under the terms of the Kraken Arrangement, all of the shares of Kraken were exchanged for Aero Shares on the basis 0.097037 Aero Shares for each Kraken Share (the "**Kraken Exchange Ratio**"), and Kraken became a wholly-owned subsidiary of Aero.

Pursuant to the Kraken Arrangement, all Kraken stock options were exchanged for Aero Options, adjusted as to number and price in accordance with the Kraken Exchange Ratio. All Kraken share purchase warrants will entitle the holders thereof to receive, upon exercise and for the same aggregate consideration, Aero Shares in accordance with the Kraken Exchange Ratio, on and subject to the terms and conditions of the Kraken share purchase warrants.

In connection with the Kraken Arrangement, Carson Halliday was appointed to replace Martin Bajic as Chief Financial Officer and Corporate Secretary of Aero and Brian Goss and Garrett Ainsworth were appointed to the Aero Board. Rony Zimerman resigned from the Aero Board.

10-to-1 Consolidation

On December 23, 2025 Aero completed a consolidation of the Aero Shares on the basis of ten pre-consolidation Aero Shares for every one post-consolidation Aero Share.

Financing

On December 23, 2025, Aero completed the first tranche of a non-brokered private placement for aggregate gross proceeds of $1,265,550, comprised of 5,502,392 non-flow-through Aero Shares at a price of $0.23 per Aero Share. In connection with this tranche, Aero paid and issued aggregate finder's fees of $62,796 in cash and 273,026 finder's Aero Warrants exercisable at a price of $0.23 per Aero Share until December 23, 2026.

On December 30, 2025, Aero completed the second and final tranche of a non-brokered private placement for additional aggregate gross proceeds of $3,734,450, comprised of (i) 5,367,173 non-flow-through Aero Shares at a price of $0.23 per Aero Share and (ii) 7,142,857 flow-through Aero Shares at a price of $0.35 per Aero Share. In connection with this tranche, Aero paid and issued aggregate finder's fees of $60,436 in cash and 262,765 finder's Aero Warrants exercisable at a price of $0.23 per Aero Share until December 30, 2027.

Urano Arrangement

On March 2, 2026, Aero announced that it had entered into an arrangement agreement dated February 27, 2026 (the "**Urano Arrangement Agreement**") with Urano Energy Corp. ("**Urano**"). Pursuant to the Urano Arrangement Agreement, Aero will acquire all of the issued and outstanding shares of Urano by way of a court-approved plan of arrangement under the BCBCA (the "**Urano Arrangement**").

Urano shareholders will receive 0.2 Aero Shares for each Urano share held (the "**Urano Exchange Ratio**"). All Urano stock options will be exchanged for replacement Aero Options, adjusted as to the number and exercise price in accordance with the Urano Exchange Ratio. All Urano share purchase warrants will entitle the holders thereof to receive, upon exercise and for the same aggregate consideration, Aero Shares in accordance with the Urano Exchange Ratio, on and subject to the terms and conditions of such warrants.

In connection with the Urano Arrangement, Aero provided a secured bridge loan of up to $1,000,000 to Urano (the "**Urano Bridge Loan**"). The Urano Bridge Loan is secured by a share pledge agreement over shares of Urano's subsidiary, C2C Nuclear Inc.

Urano intends to obtain approval for the Urano Arrangement and certain ancillary matters at a meeting of shareholders and by final court order in late April 2026.

Pegasus Arrangement

On March 2, 2026, Aero announced that it had entered into an arrangement agreement dated February 27, 2026 (the "**Pegasus Arrangement Agreement**") with Pegasus Resources Inc. ("**Pegasus**"). Pursuant to the Pegasus Arrangement Agreement, Aero will acquire all of the issued and outstanding shares of Pegasus by way of a court-approved plan of arrangement under the BCBCA (the "**Pegasus**").

Each of the Pegasus shareholders will receive 0.133 Aero Shares for each Pegasus share held (the "**Pegasus Exchange Ratio**"). All Pegasus stock options will be exchanged for replacement Aero Options, adjusted as to the number and exercise price in accordance with the Pegasus Exchange Ratio. All Pegasus share purchase warrants will entitle the holders thereof to receive, upon exercise and for the same aggregate consideration, Aero Shares in accordance with the Pegasus Exchange Ratio, on and subject to the terms and conditions of such warrants.

In connection with the Pegasus Arrangement, Aero provided a secured bridge loan of up to $80,000 to Pegasus (the "**Pegasus Bridge Loan**"). The Pegasus Bridge Loan is secured by a share pledge agreement over certain marketable securities held by Pegasus.

Pegasus intends to obtain approval for the Pegasus Arrangement and certain ancillary matters at a meeting of shareholders and by final court order in April 2026. Pegasus prepared an information circular in connection with the shareholder meeting. Closing of the Pegasus Arrangement is expected to occur in early May 2026.

Advisory Agreement

Aero entered into an advisory agreement with Eventus Capital Corp. ("**Eventus**") in respect of the services provided by Eventus as financial advisor to Aero in connection with the Arrangement and Pegasus Arrangement.

Aero CFT Unit Financing

On March 27, 2026, In connection with the Urano Arrangement and Pegasus Arrangement, Aero completed a non-brokered private placement of 1,694,916 charity flow-through units ("**Aero CFT Units**") at a price of $0.59 per Aero CFT Unit for aggregate gross proceeds of $1,000,000.

Each Aero CFT Unit is comprised of one flow-through Aero Share and one Aero Warrant exercisable at a price of $0.60 per Aero Share until March 27, 2028.

The Combined Company plans to use the gross proceeds from the sale of the Aero CFT Units to incur (i) eligible "Canadian exploration expenses" that qualify as "flow-through critical mineral mining expenditures" as both terms are defined in the *Income Tax Act* (Canada) and (ii) "eligible flow-through mining expenditures", as defined in *The Mineral Exploration Tax Credit Regulations, 2014 (Saskatchewan)*.

Aero Subscription Receipt Financing

Aero expects to close a non-brokered private placement of approximately 26,249,999 subscription receipts ("**Aero Subscription Receipts**") at a price of $0.40 per Aero Subscription Receipt for aggregate gross proceeds of approximately $10,500,000 on or about March 31, 2026 (the "**Aero Subscription Receipt Financing Closing Date**").

In connection with the non-brokered private placement of Aero Subscription Receipts, Aero expects to pay and issue upon the satisfaction of the Escrow Release Conditions (as defined below) aggregate finder's fees of approximately $444,660 in cash and approximately 1,111,649 finder's Aero Warrants exercisable at a price of $0.60 per Aero Share until the date that is two years following the Aero Subscription Receipt Financing Closing Date.

Pursuant to the subscription receipt agreement (the "**Subscription Receipt Agreement**") to be entered into on the Aero Subscription Receipt Closing Date among Aero, Urano and Computershare Trust Company of Canada, upon the satisfaction of the Escrow Release Conditions within 90 days of the issuance of Aero Subscription Receipts, each Aero Subscription Receipt will convert into one unit, with each unit comprised of one Aero share and one Aero Warrant exercisable at a price of $0.60 per Aero Share until the date that is two years following the Aero Subscription Receipt Financing Closing Date.

The "**Escrow Release Conditions**" means (i) the completion, satisfaction or waiver of all conditions precedent to the Urano Arrangement in accordance with the Urano Arrangement Agreement (save and except for those conditions precedent which are contingent upon and/or will be completed, satisfied or waived concurrent with or as part of the closing of the Urano Arrangement; (ii) the receipt of all required shareholder and regulatory approvals, including, without limitation, the conditional approval of the TSXV for the Urano Arrangement; and (iii) Aero having delivered a notice and direction to the subscription receipt agent, confirming that the conditions set forth in (i) to (ii) above have been met or waived.

The combined company (the "**Combined Company**") plans to use the net proceeds from the sale of the Aero Subscription Receipts as follows: (i) the advancement of the Combined Company's uranium project portfolio in North America, (ii) the repayment of the Urano Bridge Loan, (iii) the costs of completing the Urano Arrangement and the Pegasus Arrangement, and (iv) working capital and general corporate purposes.

The non-brokered private placement of Aero Subscription Receipts may not close as described above, may close on different terms than those described above or may not close at all.

Description of Business

Business of Aero

Aero's principal business purpose is the exploration and development of uranium mineral properties in North America, with its current focus on the Murmac Project and Strike Project in Saskatchewan and the Apex Project and Huber Hills Project in Nevada, of which the Murmac Project and Strike Project are Aero's material mineral projects.

Specialized Skill and Knowledge

A number of aspects of Aero's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, drilling, logistical planning, geophysics, metallurgy and mineral processing, implementation of exploration programs, mine construction and operation, and accounting. While recent increased activity in the resource mining industry has made it more difficult to locate competent employees and consultants in such fields, Aero has found that it can locate and retain such employees and consultants and believes it will continue to be able to do so.

Competitive Conditions

As a mineral exploration and development company, Aero may compete with other entities in the mineral exploration and development business in various aspects of the business including: (a) seeking out and acquiring mineral exploration and development properties; (b) obtaining the resources necessary to identify and evaluate mineral properties and to conduct exploration and development activities on such properties; and (c) raising the capital necessary to fund its operations. The mining industry is intensely competitive in all its phases, and Aero may compete with other companies that have greater financial resources and technical facilities. Competition could adversely affect Aero's ability to acquire suitable properties or prospects in the future or to raise the capital necessary to continue with operations.

Cycles

The mineral exploration business is subject to mineral price cycles. The marketability of minerals and mineral concentrates and the ability to finance Aero on favourable terms is also affected by worldwide economic cycles.

Environmental Protection

Aero is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. Aero may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties. Aero conducts its mineral exploration activities in compliance with applicable environmental protection legislation. Aero is not aware of any existing environmental problems related to any of its properties that may result in material liability to Aero.

Employees

As at April 30, 2025, Aero had no full-time employees and two consultants.

Bankruptcy and Similar Procedures

There is no bankruptcy, receivership or similar proceedings against Aero, nor is Aero aware of any such pending or threatened proceedings. There have not been any voluntary bankruptcy, receivership or similar proceedings by Aero within the three most recently completed financial years or currently proposed for the current financial year.

Reorganizations

Other than as disclosed herein, there have been no material reorganizations of or involving Aero within the three most recently completed financial years or currently proposed for the current financial year.

Social or Environmental Policies

At its current stage of development and activities, Aero has limited financial obligations in meeting applicable environmental standards. This may change as Aero advances its projects. Environmental regulations that are applicable to Aero cover a wide variety of matters, including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and worker safety. While Aero does not currently expect the impact of costs and other effects related to compliance with environmental, health and safety regulations to have a material adverse effect on its financial condition or results of operations, such regulations are evolving in a manner which is likely to result in stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees. Such stricter standards could impact Aero's costs and have an adverse effect on results of operations. Furthermore, an environmental, safety or security incident could impact Aero's reputation in such a way that the result could have a material adverse effect on its business and on the value of its securities.

Mineral Projects

The Murmac Project and Strike Project are Aero's material properties for the purposes of NI 43-101.

Murmac Project and Strike Project

The following disclosure regarding the Murmac Project and Strike Project is primarily derived from the technical report entitled "Technical Report on the Black Bay Project, Northwestern Saskatchewan" prepared by Darren Slugoski, P. Geo of ZS Consulting Ltd., dated February 7, 2024 (the "**Black Bay Technical Report**") and is subject to all of the assumptions, information and qualifications set forth therein, as modified to reflect certain changes subsequent to the effective date of the Black Bay Technical Report.

The "Black Bay Project" refers, collectively, to the Murmac Project, Strike Project, and Sun Dog Project. The following disclosure regarding the Black Bay Project should be read solely with respect to the Murmac Project and the Strike Project, as Aero announced that it had relinquished its option to acquire the Sun Dog Project in Saskatchewan from Standard Uranium Ltd. on December 11, 2025.

Property Description and Ownership

As of December 2023, Aero has entered into a definitive share purchase agreement to acquire 1443904 B.C. Ltd. (the "**Acquisition**") and the assumption of the obligations related to the Sun Dog Option and the Strike and Murmac Option. The Black Bay Project is part of 1443904 B.C. Ltd.'s portfolio pursuant to Option Agreements in place with Standard Uranium Ltd. (November 2023) and the Fortune Bay Corp./ 7153945 Canada Inc. (December 2023). As at the effective date of the Black Bay Technical Report, 1443904 B.C. Ltd. has consolidated the Sun Dog Property (Standard Uranium Ltd.), the Murmac Property (Fortune Bay Corp.) and the Strike Property (Fortune Bay Corp.) into one land package, which is renamed the Black Bay Project. Current ownership includes Standard Uranium Ltd. ("**Standard**" or "**Standard Uranium**") and 7153945 Canada Inc. (a wholly owned subsidiary of Fortune Bay Corp., or "**Fortune Bay**"). In accordance with the respective option agreement, as amended, Aero stands to acquire up to a 70% interest in the Murmac Claims and Strike Claims by funding exploration and making a series of cash payments and share issuances. Aero announced that it had relinquished its option to acquire the Sun Dog Project in Saskatchewan from Standard Uranium Ltd. on December 11, 2025.

The Black Bay Project (the "**Property**" or "**Project**") is situated in the northwestern edge of the Athabasca Basin in Northern Saskatchewan and includes thirty claims with a total area of 39,466 hectares. The Property consists of two separate blocks of contiguous mineral dispositions ("**claims**" or "**tenures**"). The western claim block, previously known as the Strike Property ("**Strike**", "**Strike Claims**" or "**Strike Area**"), is located approximately 26 kilometres (km) west of Uranium City, Saskatchewan, Canada and comprises 4 claims with a total area of approximately 10,000 hectares. The eastern claim block is located approximately 11 km south of uranium city and approximately 8 km southeast of the western claim block (Strike Claims). The eastern claim block contains the previous Sun Dog Property ("**Sun Dog**", "**Sun Dog Claims**" or "**Sun Dog Area**") and the Murmac Property ("**Murmac**", "**Murmac Claims**" or "**Murmac Area**") and are situated on the Crackingstone Peninsula, approximately 11 kilometres (km) southwest of Uranium City, Saskatchewan, Canada, and contains the past-producing Gunnar uranium mine. The Murmac Claims comprise 17 claims with a total area of approximately 10,363 hectares. The Property is approximately 820 km north-northwest of Saskatoon, the largest city in Saskatchewan.

The Property occupies portions of 1:50,000 scale National Topographic System (NTS) index map sheets 74N/06, 74N/07, 74N/10 and 74N/11. All claims are currently in good standing and are 100% owned by Standard Uranium Limited ("Standard" or "**Standard Uranium**"), and Fortune Bay Corp. ("**Fortune Bay**"). The claims that constitute the Property are listed in the online Mineral Administration Registry Saskatchewan (MARS) as being in good standing.

Geology and mineralization

The Project straddles the northwestern edge of the Athabasca Basin and predominantly contains Paleoproterozoic rocks of the Beaverlodge and Zemlak Domain, a portion of the Rae Subprovince in Saskatchewan. The Sun Dog and Murmac Claims are situated completely within the Beaverlodge Domain whereas the Strike Claims are located within the Zemlak Domain. The NESW trending Black Bay fault occurs to the east of the Strike Claims and runs along the western edge of the Sun Dog and Murmac Claims and denotes the lithostructural contact between the Beaverlodge and Zemlak Domains. The project hosts a variety of rock types, ranging from Archean basement granites and orthogneisses to the metasedimentary, mafic volcanic, and mixed supracrustal rocks including assemblages from the Murmac Bay Group, Thluicho Lake Group and Martin Group. The southern claims of the Project are overlain by variably altered quartz arenites of the Paleo- to Mesoproterozoic Athabasca Supergroup.

The Black Bay Project is located in the prolific Beaverlodge District, which is estimated to have historically produced approximately 70 million pounds of U3O8 at grades ranging from 0.18 to 0.43% U3O8. The historical Gunnar Mine and the Tena uranium occurrence are both located within the Property, with other nearby historical mines including Beaverlodge and Lorado. These deposits are the type-deposits for Beaverlodge-style mineralization, and historical exploration efforts largely focussed on this deposit model. The Property has not been systematically explored for highgrade "Unconformity-related" uranium mineralization, found elsewhere along the Athabasca Basin margin.

The target areas at the Black Bay Project have several attributes that are favourable for the formation of Unconformity-related mineralization. Key geological factors include uranium enriched bedrock, reactivated and graphitized structures, Athabasca Supergroup sandstone cover, and favourable basement rock competency contrasts. Uranium mineralization on the Project is largely comprised of uranium oxides (e.g., uraninite) with subordinate uranium silicates (e.g., coffinite, uranophane) and secondary uranyl (oxy) hydroxides (e.g., Curite). Further studies on the composition of mineralized samples are warranted to confirm different uranium species on the Project.

Exploration status

The Property has been subjected to extensive historical exploration by previous operators, including geological mapping, hand-held scintillometer prospecting, geochemical sampling, ground and airborne geophysical survey, trenching and drilling of approximately 550 exploration holes. Historical exploration focussed predominantly on a Beaverlodge-style target, and the extensive EM conductors were not systematically explored for Unconformity-related mineralization by previous operators.

Fortune Bay carried out geophysical survey in winter and spring of 2022. Ground gravity survey was carried out by MWH Geo-Surveys Ltd., and included 2,752 and 2,073 digital gravity meter stations on the Murmac and Strike Claims, respectively. A helicopter-borne vertical time-domain electromagnetic ("**VTEM**") survey was carried out by Geotech Ltd., including 430-line kilometres over the Murmac Claims. Field prospecting and geochemical sampling (179 samples) was carried out at Murmac in Summer 2022.

Drilling

The geophysical surveys summarized above, in conjunction with historical prospecting, geochemical and geophysical datasets, were used for drill planning of drill programs, which targeted geophysical anomalies (gravity lows) and structural targets on electromagnetic ("**EM**") conductors in areas with known uranium endowment. Current drilling has included 9 diamond drill holes (2,064 m) on the Strike Claims, 15 diamond drill holes (3,168.4 m) on the Murmac Claims and 14 diamond drill holes (2469.4 m) on the Sun Dog Claims. This drilling constitutes first-pass exploration of the extensive EM conductors on the Property, which remain under-explored.

Field staff recorded detailed drill core observations into the core logging database and collected systematic core samples to test radioactive zones for mineralization, and to achieve a better understanding of the complex geology of the Black Bay Project.

Two of the nine holes completed on the Strike Claims tested the down-dip extension of the historically identified mineralized Tena Fault. The remaining seven holes tested geophysical targets on three EM conductor corridors (named J, K and L).

The 2022 drilling program in the Strike Claims intercepted anomalous uranium content (defined as >100 ppm U) in two drill holes (S22-005 and S22-006) at the Tena Fault. Geochemically anomalous core samples (including a maximum assay of 0.42% U3O8 over 0.1 m) are associated with pathfinder elements known to be associated with

Unconformity-related uranium mineralization and the pathfinder elements correlate well with the location and nature of mineralization in the Tena Fault at surface. Anomalous uranium content was also present in hole S22-013 (K Conductor), with a maximum assay of 0.43% U3O8 over 0.1 m associated with pathfinders and semi-brittle reactivated faulting in graphite-bearing host rocks.

Drilling on the Murmac Claims in 2022 targeted the Armbruster, Howland and Pitchvein EM conductors, and intersected numerous shallow intervals of anomalous uranium (> 100 ppm U). Holes M22-013 and M22-014 were drilled at the same location (and same azimuth) with differing dip to test down-dip continuity of radioactivity intersected in M22-013. These holes intercepted numerous shallow intervals of anomalous U with encouraging pathfinder element enrichments in graphitic pelite characterized by patchy hematization, chloritic shears, pyrite, local quartz flooding and disseminated sericite. These holes targeted a geophysical anomaly approximately 225 m SW (along strike) from SMDC historical drill results that include 1.01% U3O8 over 2.0 m (56.0 to 58.0 m in drill hole CKI-9) and 2.19% U3O8 over 0.5 m (68.0 to 68.5 m in drill hole CKI-10). Holes M22-002 and M22-015 returned anomalous U and enriched pathfinders in graphitic pelites below more competent hangingwall quartzite, with encouraging structure and alteration. Hole M22-009, testing the intersection of the Armbruster Conductor with the Heatherington Fault, contains dravite in 3 samples, and up to 43 ppm U and up to 1170 ppm B. Drill hole M22-004, targeting the Howland Conductor, intersected 209 ppm U over 0.1 m from 82.9 to 83.0 m.

In 2024, Aero completed a drill program at the Murmac Claims, testing compelling geophysical signatures and favorable geological/structural settings. Many holes encountered highly favorable geological settings for high-grade basement-hosted deposits associated with the Athabasca Basin, along with anomalous radioactivity interpreted to be associated with uranium mineralization. Promising uranium mineralization was encountered in hole M24-017 which tested coincident gravity and electromagnetic anomalies at the intersection of an electromagnetic conductor and a property-scale mineralized cross-fault beneath a shallow lake. The hole intersected 0.30% U_3O_8 over 8.4 m from 84.2 to 92.6 m (approximately 64 to 71 m below surface), including 1.79% U_3O_8 over 1.2 m, with individual assays up to 13.8% and 4.54% U_3O_8 over 0.1 m. Mineralization in M24-017 occurs at the contact between a more competent, highly altered hangingwall quartzite and an underlying structured graphitic pelite, and is associated with elevated concentrations of Pb, Ni, Co, As, Cu, V, Mo, Zn, Ag and Bi.

In 2025, Aero completed winter and summer drill programs at the Murmac Claims targeting a limited suite of high priority targets. Target selection was based on airborne electromagnetic and ground gravity survey results, targeting features along buried basement-hosted conductive graphitic units at their intersection with known mineralized cross faults identified during historical and current prospecting activities, including spectrometer surveying and geochemical sampling. Drilling focused on the northern end of the Armbruster Conductor, which Aero had not yet drill tested. These drill programs intersected strong hydrothermal alteration and anomalous uranium concentrations, but no significant uranium mineralization.

Interpretation, Conclusions and Recommendations

In addition to the historically established potential for Beaverlodge-style uranium mineralization within the Black Bay Property, the results from the 2022 and 2023 diamond drill programs by Standard Uranium and Fortune Bay highlight the potential for the Property to host significant basement-hosted Unconformity-related uranium mineralization. The targeted EM conductors have been confirmed as graphite-rich pelites with significant structure and compelling Property-wide evidence for hydrothermal alteration, including uranium mineralization with corresponding elevations in pathfinder elements typically associated with Unconformity-related mineralization.

These factors, along with the presence of a substantial uranium endowment in both basement rocks and Athabasca Basin cover rocks, indicate excellent potential for economic uranium mineralization within the Property. The mineralization, structure, and alteration intersected with drilling to date are strong indicators of a nearby uranium deposit.

Based on the evaluation of the available historical and recent information, the author believes that the project warrants additional investigation and exploration. Several drill intercepts warrant follow-up drilling, along with systematic exploration

of the extensive under-explored EM conductors across the Property. Targets currently prioritized for exploration and drill testing include the Walli showing and the Haven Discovery on the Sun Dog Claims, the K Conductor in the Strike Claims, and the Armbruster, Howland and Pitchvein Conductors within the Murmac Claims.

A two-phase exploration program is recommended to evaluate numerous newly defined targets, to expand knowledge of the property-wide geology and further evaluate the uranium mineralization intersected to date. The Phase 1 recommendations are to include a resistivity survey and radon / helium surveys in certain areas designed to assist in the detection of subsurface uranium occurrences in areas with significant overburden cover. Additional work should comprise ongoing geological and geochemical mapping, as well as potential reinterpretation of ground gravity survey data and potential extension of ground gravity survey in the Murmac Claims to cover prospective trends within the recently expanded claim block. Phase 2 recommendations include a diamond drill program be carried out comprising a minimum of 4,000 to 8,000 m to test prioritized targets.

Portions of the second recommended work phase are dependent on information generated in the first phase. The estimate cost for Phase 1 and 2 of the proposed exploration programs on the Property is estimated at ~4.6 million. The Phase 1 recommendations are projected to require a budget of ~$510,000 to complete. The Phase 2 recommendations include follow up and drill testing, planned using an estimated total of 6,000 m of drilling, would be on the order of C$4.1 million.

Apex Project

The Apex Project is situated 280 km east of Reno, Nevada and covers the past producing Apex uranium mine. The 14,892-acre project targets a 17.5 km mineralized trend identified through advanced radon surveys and geophysical data. Early efforts involved extensive shallow rotary and core drilling in close proximity to the Apex mine, with records indicating intercepts such as 34.1 meters at 0.37% U_3O_8 and 15.2 meters at 0.51% U_3O_8, as noted in Nevada Bureau of Mines files from 1959 by Mining Geologist Harry Hughes. Other standout results included intersections of 25.6 meters at 0.23% U_3O_8 and 17.7 meters at 0.36 U_3O_8.

Since 2021, Aero has been working diligently with the Humboldt-Toiyabe National Forest ("**HTNF**") to secure drill permits for the Apex Project, navigating a thorough process shaped by the HTNF's development of a new forest-wide Uranium Safety Management Plan.

Huber Hills Project

The Huber Hills Project was staked in 2023 and is located within Elko County in Nevada, USA.

Dividends and Distributions

Aero has not paid any dividends since incorporation and it has no plans to pay dividends for the foreseeable future. The directors of Aero will determine if and when dividends should be declared and paid in the future based on Aero's financial position at the relevant time. All of the Aero Shares are entitled to an equal share of any dividends declared and paid.

Description of Capital Structure

Common Shares

Aero's authorized capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. As of April 30, 2025, a total of 12,192,727 Aero Shares were issued and outstanding and no preferred shares were issued and outstanding. As of the date hereof, a total of 37,858,976 Aero Shares are issued and outstanding and no preferred shares are issued and outstanding.

Each common share ranks equally with all other common shares with respect to dissolution, liquidation or winding-up of Aero and payment of dividends. The holders of Aero Shares are entitled to one vote for each share of record on all matters to be voted on by such holders and are entitled to receive pro rata such dividends as may be declared by the board of directors of Aero (the "**Aero Board**") out of funds legally available therefore and to receive, pro rata, the remaining property of Aero on dissolution. The holders of Aero Shares have no redemption, retraction, purchase, pre-emptive or conversion rights. The rights

attaching to the Aero Shares can only be modified by the affirmative vote of at least two-thirds of the votes cast at a meeting of shareholders called for that purpose.

Warrants

There were 3,195,300 common share purchase warrants of Aero ("**Aero Warrants**") outstanding as of April 30, 2025, exercisable into 3,193,500 Aero Shares, with a weighted average exercise price of $1.93 per Aero Share. As of the date hereof, there are 3,836,069 Aero Warrants outstanding, exercisable into 3,836,069 Aero Shares, with a weighted average exercise price of $0.82 per Aero Share.

Options

There were 817,050 stock options outstanding of Aero ("**Aero Options**") as of April 30, 2025, exercisable into 817,050 Aero Shares, with a weighted average exercise price of $2.61 per Aero Share. As of the date hereof, there are 884,044 Aero Options outstanding, exercisable into 884,044 Aero Share with a weighted average exercise price of $2.95 per Aero Share.

Market for Securities

Trading Price and Volume

The principal market on which the Aero Shares trade on is the TSXV. The following table shows the high and low trading prices and monthly trading volume of the Aero Shares on the TSXV for the 12-month period preceding the date of this Information Circular:

Month	High ($)	Low ($)	Volume
March 1 to 26, 2026	0.50	0.34	1,166,151
February 2026	0.55	0.38	495,667
January 2026	0.51	0.26	2,349,699
December 2025	0.41 (1)	0.29 (1)	1,723,691 (1)
November 2025	0.35 (1)	0.30 (1)	125,577 (1)
October 2025	0.55 (1)	0.30 (1)	391,532 (1)
September 2025	0.60 (1)	0.25 (1)	799,531 (1)
August 2025	0.40 (1)	0.30 (1)	194,710 (1)
July 2025	0.50 (1)	0.35 (1)	247,391 (1)
June 2025	0.55 (1)	0.25 (1)	542,573 (1)
May 2025	0.30 (1)	0.25 (1)	210,107 (1)
April 2025	0.40 (1)	0.20 (1)	861,025 (1)
March 2025	0.35 (1)	0.20 (1)	369,432 (1)

Note:
(1) Approximate figures calculated on a post-Consolidation basis.

The closing price of the Aero Shares on the TSXV on February 27, 2026, the last trading day prior to the execution of the Arrangement Agreement, was $0.40. The closing price of the Aero Shares on the TSXV on March 26, 2026, the last trading day prior to the date of this Information Circular, was $0.34.

Prior Sales

The following table sets forth information in respect of issuances or purchases of Aero Shares and securities that are convertible or exchangeable into Aero Shares within the 12 months prior to the date of this Information Circular, including the price at which such securities have been issued, the number of securities issued, and the date on which such securities were issued:

Date of Issuance	Reason for Issuance	Number and Type of Security	Issuance / Exercise Price	Expiry Date
June 20, 2025	Kraken Arrangement	5,792,233 Aero Shares (1)	-	-
June 20, 2025	Kraken Arrangement	286,848 Aero Warrants (1)	$1.94	June 28, 2027
June 20, 2025	Kraken Arrangement	19,407 Aero Options (1)	$13.10	June 9, 2027
June 20, 2025	Kraken Arrangement	111,592 Aero Options (1)	$10.40	October 11, 2027
June 20, 2025	Kraken Arrangement	12,130 Aero Options (1)	$5.20	April 3, 2028
June 20, 2025	Kraken Arrangement	38,815 Aero Options (1)	$2.10	March 25, 2029
December 16, 2025	Option agreement payment	1,666,667 Aero Shares	-	-
December 23, 2025	Private Placement	5,502,392 Aero Shares	$0.23	-
December 23, 2025	Private Placement	273,026 finder's Aero Warrants (1)	$0.23	December 23, 2027
December 30, 2025	Private Placement	5,367,173 Aero Shares	$0.23	-
December 30, 2025	Private Placement	7,142,857 charity flow-through Aero Shares	$0.35	-
December 30, 2025	Private Placement	262,765 finder's Aero Warrants (1)	$0.23	December 30, 2027
March 27, 2026	Private Placement	1,694,916 CFT Units (2)	$0.59	-

Notes:
(1) Each exercisable to acquire one Aero Share.
(2) See *"General Development of the Business – Three Year History - Events Subsequent to the Fiscal Year Ended April 30, 2025"*.

Escrowed Securities

As at the date of this Information Circular, there are no Aero Shares held, to Aero's knowledge, in escrow or subject to a contractual restriction on transfer.

Principal Securityholders

To the knowledge of the directors and officers of Aero, as at the date of this Information Circular, no person beneficially owns or exercises control or direction over Aero Shares carrying more than 10% of the votes attached to the Aero Shares.

Directors and Officers

The names and province or state and country of residence of the directors and executive officers of Aero, positions held by them with Aero and their principal occupations during the past five years are as set forth below. The term of office of each of the present directors expires at the next annual general meeting of shareholders. After each such meeting, the Aero Board appoints officers and committees for the ensuing year.

Name and Jurisdiction of Residence [(1)]	Position(s) of Aero Held	Principal Occupation or Employment [(1)]	Number of Aero Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly [(1)]
Galen McNamara British Columbia, Canada	CEO, Executive Chair and Director	Chief Executive Officer and director of Silver47 Exploration Corp. since August 2025; Chief Executive Officer of Aero since December 2022; director of Aero since December 2020	1,174,848
Carson Halliday British Columbia, Canada	CFO and Corporate Secretary	Chief Financial Officer and Corporate Secretary of Aero since June 2025; Chief Financial Officer and Corporate Secretary of RZOLV Technologies Inc. since February 2026	12,090
Brandon Bonifacio [(2)] British Columbia, Canada	Director	President, Chief Executive Officer and director of NevGold Corp. since June 2021	9,800
Grace Marosits [(2)] British Columbia, Canada	Director	Consultant	49,998
Garrett Ainsworth British Columbia, Canada	Director	President, Chief Executive Officer and director of District Metals Corp. since 2018	469,780
Brian Goss [(2)] Nevada, United States	Director	Founder and President of Rangefront Geological since 2008; Chief Executive Officer, President and director of NovaRed Mining Inc. since May 2020	63,333

Notes:

(1) The information as to residence, principal occupation or employment and shares beneficially owned, directly or indirectly, or controlled is not within the knowledge of the management of Aero and has been furnished by the respective director or officer.

(2) Member of the Aero Audit Committee (as defined herein), of which Grace Marosits is the Chair.

Corporate Cease Trade Orders or Bankruptcies

No current director or executive officer of Aero has, within the last ten years prior to the date of this Information Circular, been a director, chief executive officer or chief financial officer of any issuer (including Aero) that, (i) while the person was acting in the capacity as director, chief executive officer or chief financial officer, was the subject of a cease trade or similar order or an order that denied the relevant issuer access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or (ii) was subject to an order that resulted, after the director, executive officer or securityholder holding a sufficient number of securities of Aero to affect materially the control of Aero ceased to be a director, chief executive officer or chief financial officer of an issuer, in the issuer being the subject of a cease trade or similar order or an order that denied the relevant issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, which resulted from an event that occurred while that person was acting as a director, chief executive officer or chief financial officer of the issuer.

No current director or executive officer of Aero has, within the last ten years prior to the date of this Information Circular, been a director or executive officer of any company (including Aero) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No current director or officer or securityholder holding a sufficient number of securities of Aero to affect materially the control of Aero has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

No current director or officer or securityholder holding a sufficient number of securities of Aero to affect materially the control of Aero has, within the last ten years prior to the date of this Information Circular, been a director or executive officer of any company (including Aero) that, while such person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement for compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

In addition, no current director or officer or securityholder holding a sufficient number of securities of Aero to affect materially the control of Aero has, within the last ten years prior to the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or securityholder.

Conflicts of Interest

There are no existing material conflicts of interest between Aero and any director or officer of Aero. Directors and officers of Aero may serve as directors and/or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which Aero may participate, certain directors may have a conflict of interest in negotiating and conducting terms in respect of any transaction involving such companies. In the event that such conflict of interest arises at a meeting of the Aero board, a director who has such a conflict is required to disclose such conflict and abstain from voting for or against the approval of such transaction.

The directors and officers of Aero will not be devoting all of their time to Aero. The directors and officers of Aero are directors and officers of other companies, some of which are in the same business as Aero. The directors and officers are required by law to act in the best interests of Aero. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to Aero may result in a breach of their obligations to the other companies, and in certain circumstances this could expose Aero to liability to those companies.

Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligations to act in the best interests of Aero. Such conflicting legal obligations may expose Aero to liability to others and impair its ability to achieve its business objectives.

Executive Compensation

In this section "named executive officer" ("**NEO**") means:

(a) each individual who, in respect of Aero, during any part of the most recently completed financial year, served as chief executive officer ("**CEO**"), including an individual performing functions similar to a chief executive officer;

(b) each individual who, in respect of Aero, during any part of the most recently completed financial year, served as chief financial officer ("**CFO**"), including an individual performing functions similar to a chief financial officer;

(c) in respect of Aero and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000 as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation - Venture Issuers* for that financial year; and

(d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of Aero, and was not acting in a similar capacity, at the end of that financial year.

During the years ended April 30, 2025 and 2024, the NEOs of Aero were:

- Galen McNamara, CEO, Executive Chair and director;
- Carson Halliday, CFO and Corporate Secretary; and
- Martin Bajic, former CFO and Corporate Secretary.

All dollar amounts referenced herein are in Canadian dollars unless otherwise specified.

Director and NEO Compensation, Excluding Compensation Securities

The following table sets forth the compensation paid, awarded, granted, given or otherwise provided, directly or indirectly, by Aero to each NEO and director for the financial years ended April 30, 2025 and 2024:

Table of compensation excluding compensation securities							
Name and position	**Year Ended**	**Salary, consulting fee, retainer, commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($) [1]**
Galen McNamara *CEO, Executive Chair and Director*	2025	170,000	Nil	Nil	Nil	Nil	170,000
	2024	135,000	Nil	Nil	Nil	Nil	135,000
Carson Halliday [2] *CFO and Corporate Secretary*	2025	7,500	Nil	Nil	Nil	Nil	7,500
	2024	24,000	Nil	Nil	Nil	Nil	24,000
Martin Bajic [3] *Former CFO and Corporate Secretary*	2025	72,000	Nil	Nil	Nil	Nil	72,000
	2024	Nil	Nil	Nil	Nil	Nil	Nil
Brandon Bonifacio *Director*	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	Nil	Nil	Nil	Nil	Nil	Nil
Grace Marosits [4] *Director*	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	Nil	Nil	Nil	Nil	Nil	Nil

Table of compensation excluding compensation securities							
Name and position	**Year Ended**	**Salary, consulting fee, retainer, commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($) [1]**
Garrett Ainsworth [5] *Director*	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	Nil	Nil	Nil	Nil	Nil	Nil
Brian Goss [6] *Director*	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	Nil	Nil	Nil	Nil	Nil	Nil
Rony Zimerman [7] *Former Director*	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	Nil	Nil	Nil	Nil	Nil	Nil

Notes:
(1) Aero does not currently have a performance bonus plan, nor any pension or retirement plans.
(2) Carson Halliday resigned as the CFO and Corporate Secretary of Aero of May 4, 2024. He was appointed as the CFO and Corporate Secretary of Aero on June 20, 2025.
(3) Martin Bajic was appointed as the CFO and Corporate Secretary of Aero on May 4, 2024, and resigned as the CFO and Corporate Secretary of Aero on June 20, 2025.
(4) Grace Marosits was appointed to the Aero Board on May 4, 2024.
(5) Garrett Ainsworth was appointed to the Aero Board on June 20, 2025.
(6) Brian Goss was appointed to the Aero Board on June 20, 2025.
(7) Rony Zimerman resigned from the Aero Board on June 20, 2025.

All NEOs are consultants of Aero, and no external management company employs or retains individuals acting as NEOs of Aero. Aero has no understanding, arrangement or agreement with any external management company to provide executive management services to Aero.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued during the financial year ended April 30, 2025 and 2024 to each NEO and director for services provided or to be provided, directly or indirectly, to Aero or its subsidiaries.

Compensation Securities								
Name and position	**Year Ended**	**Type of compensation security [1]**	**Number of compensation securities, number of underlying securities, and percentage of class[1]**	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date**
Galen McNamara *CEO, Executive Chair and Director*	2025	Aero Options	150,000 (18.4%)	May 4, 2024	$1.50	$1.45	$0.25	May 4, 2029
		Aero Options	50,000 (6.1%)	Jan. 2, 2025	$0.70	$0.45	$0.25	Jan. 2, 2030
	2024	-	-	-	-	-	-	-
Carson Halliday [2] *CFO and Corporate Secretary*	2025	Aero Options	10,000 (1.2%)	May 4, 2024	$1.50	$1.45	$0.25	May 4, 2029
	2024	-	-	-	-	-	-	-
Martin Bajic [3] *Former CFO and Corporate Secretary*	2025	Aero Options	35,000 (4.3%)	May 4, 2024	$1.50	$1.45	$0.25	May 4, 2029
		Aero Options	25,000 (3.1%)	Jan. 2, 2025	$0.70	$0.45	$0.25	Jan. 2, 2030
	2024	-	-	-	-	-	-	-
Brandon Bonifacio *Director*	2025	Aero Options	50,000 (6.1%)	May 4, 2024	$1.50	$1.45	$0.25	May 4, 2029
		Aero Options	25,000 (3.1%)	Jan. 2, 2025	$0.70	$0.45	$0.25	Jan. 2, 2030
	2024	-	-	-	-	-	-	-
Grace Marosits [4] *Director*	2025	Aero Options	50,000 (6.1%)	May 4, 2024	$1.50	$1.45	$0.25	May 4, 2029
		Aero Options	25,000 (3.1%)	Jan. 2, 2025	$0.70	$0.45	$0.25	Jan. 2, 2030
	2024	-	-	-	-	-	-	-
Garrett Ainsworth [5] *Director*	2025	Aero Options	50,000 (6.1%)	May 4, 2024	$1.50	$1.45	$0.25	May 4, 2029
	2024	-	-	-	-	-	-	-
Brian Goss [6] *Director*	2025	-	-	-	-	-	-	-
	2024	-	-	-	-	-	-	-

Compensation Securities								
Name and position	**Year Ended**	**Type of compensation security [1]**	**Number of compensation securities, number of underlying securities, and percentage of class[1]**	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date**
Rony Zimerman [7] *Former Director*	2025	Aero Options	50,000 (6.1%)	May 4, 2024	$1.50	$1.45	$0.25	May 4, 2029
		Aero Options	25,000 (3.1%)	Jan. 2, 2025	$0.70	$0.45	$0.25	Jan. 2, 2030
	2024	-	-	-	-	-	-	-

Notes:
(1) All of the Aero Options granted above vest 25% every four months following the grant date.
(2) Carson Halliday resigned as the CFO and Corporate Secretary of Aero on May 4, 2024. He was appointed as the CFO and Corporate Secretary of Aero on June 20, 2025.
(3) Martin Bajic was appointed as the CFO and Corporate Secretary of Aero on May 4, 2024, and resigned as the CFO and Corporate Secretary of Aero on June 20, 2025.
(4) Grace Marosits was appointed to the Aero Board on May 4, 2024.
(5) Garrett Ainsworth was appointed to the Aero Board on June 20, 2025.
(6) Brian Goss was appointed to the Aero Board on June 20, 2025.
(7) Rony Zimerman resigned from the Aero Board on June 20, 2025.

Exercise of Compensation Securities by Directors and NEOs

During the financial years ending April 30, 2025 and 2024, none of the NEOs or directors exercised any Aero Options.

Stock Option Plan

Aero's stock option plan, as amended and restated (the "**Aero Option Plan**"), was initially adopted by the Aero Board on December 8, 2022. The Aero Option Plan is administered by the Aero Board who may grant Aero Options to purchase Aero Shares to NEOs, directors and employees of Aero or affiliated corporations and to consultants retained by Aero.

The Aero Option Plan was most recently approved by the Aero Shareholders at the annual general meeting of Aero Shareholders held on December 2, 2025.

The purpose of the Aero Option Plan is to attract, retain, and motivate NEOs, directors, employees and other service providers by providing them with the opportunity, through options, to acquire an interest in Aero and benefit from Aero's growth. Under the Aero Option Plan, the maximum number of Aero Shares reserved for issuance, including Aero Options currently outstanding, is equal to ten (10%) percent of the Aero Shares outstanding, on a non-diluted basis, at the time of grant and from time to time (the "**10% Maximum**"). The 10% Maximum is an "evergreen" provision, meaning that, following the exercise, termination, cancellation or expiration of any Aero Options, a number of Aero Shares equivalent to the number of Aero Options so exercised, terminated, cancelled or expired would automatically become reserved and available for issuance in respect of future Aero Option grants. As of the date hereof, there are 884,044 Aero Options outstanding.

Pursuant to the Aero Option Plan, the Aero Board has the power and authority to determine the individuals to whom awards will be granted, and the nature, dates, amounts, exercise prices, vesting periods and other relevant terms of such awards, and to construe and interpret the terms of the Aero Option Plan and outstanding awards. To determine the fair market value of the Aero Shares for purposes of granting an award, the Aero Board uses the closing or last price of the Aero Shares on the TSXV prior to the day on which Aero grants an award.

Pursuant to the Aero Option Plan, the Aero Board may from time to time authorize the issue of Aero Options to directors, officers, employees and consultants of Aero and its subsidiaries or employees of companies providing management or consulting services to Aero or its subsidiaries.

The Aero Option Plan imposes the following limitations on the number of Aero Shares which may be issued in the following instances:

- The maximum number of Aero Shares which may be reserved for issuance to any one Eligible Person (as such term is defined in the Aero Option Plan) may not exceed 5% of the issued Shares on a yearly basis;
- The maximum number of Aero Shares which may be reserved for issuance to any one Eligible Person who is a consultant is 2% of the issued Aero Shares on a yearly basis;
- The maximum number of Aero Shares which may be reserved for issuance to all Eligible Persons who are engaged in "investor relations activities" (as such term is defined in the policies of the TSXV) is 2% of the issued Aero Shares on a yearly basis; and
- The maximum number of Aero Shares which may be reserved for issuance to all Eligible Persons who are insiders is 10% of the issued Aero Shares on a year basis.

Aero Options may be granted to any Eligible Participant exercisable at a price which is not less than the market price of common shares of Aero on the date of the grant, or such other minimum price as may be required or permitted by the TSXV.

Aero Options may be exercised in whole or in part, by giving written notice of exercise to Aero. The directors of Aero may, by resolution, determine the time period during which any Aero Option may be exercised (the "**Exercise Period**"), provided that the Exercise Period does not contravene any rule or regulation of such exchange on which the Aero Shares may be listed and in no event shall the Exercise Period exceed 10 years after the date of grant of any Aero Option.

All Aero Options will terminate on the earliest to occur of (a) the expiry of their Exercise Period; (b) the date of termination of an optionee's employment, office or position as director, if terminated for just cause; (c) the earlier of the expiry of their Exercise Period or six (6) months from the date of the Eligible Person's death (for which the Aero Board can extend to a period of twelve (12) months); (d) ninety (90) days (or such other period of time as permitted by any rule or regulation of such exchange on which the Aero Shares may be listed) following the date the Eligible Person ceases to be an Eligible Person for reasons other than (b) and (c) above (for which the Aero Board can extend to a period of twelve (12) months); (e) thirty (30) days following the date the Eligible Person ceases to be an Eligible Person for reasons other than (b) and (c) above in the case of Eligible Persons engaged in investor relations activities; and (f) the date of any sale of the Aero Option.

The Aero Option Plan contains no vesting requirements but permits the Aero Board to specify a vesting schedule in its discretion, except for Aero Options granted to consultants performing investor relations activities, which Aero Options must vest in stages over twelve months with no more than one-quarter of the Aero Options vesting in any three-month period.

If there is a change in the outstanding Aero Shares by reason of any share reorganization, special distribution, corporate reorganization or any other change to, event affecting, exchange of or corporate change or transaction affecting the Aero Shares, the Aero Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities (including, for certainty, the TSXV), appropriate substitution and/or adjustment for the protection of the rights of Eligible Participants in:

- the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to the Aero Option Plan;
- the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Aero Options, and in the exercise price for such shares or other securities or property; and
- the vesting of any Aero Options (subject to the approval of the TSXV if such vesting is mandatory under the policies of the TSXV), including the accelerated vesting thereof on conditions the Aero Board deems advisable, provided, however, that there may be no acceleration of such vesting conditions applicable to Aero Options granted to any persons providing Investor Relations Activities.

The Aero Board may from time to time, subject to applicable law and to the prior approval, if required, of either the Aero Shareholders, the TSXV or any other regulatory body having authority over Aero or the Aero Option Plan, suspend, terminate

or discontinue the Aero Option Plan at any time, or amend or revise the terms of the Aero Option Plan or of any Aero Option granted under the Aero Option Plan and the stock option agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance will in any manner adversely affect any Aero Option previously granted to a grantee under the Aero Option Plan without the consent of that grantee.

The Aero Option Plan permits Cashless Exercise or Net Exercise (as such terms are defined in the policies of the TSXV). Aero Options held by optionees engaged in "investor relations activities" (as such term is defined in the policies of the TSXV) may not be exercised on a Cashless Exercise or Net Exercise basis.

Aero Options are non-assignable and non-transferrable and are subject to early termination in the event of the death of a participant or in the event a participant ceases to be a NEO, director, employee, consultant, affiliate, or subsidiary of Aero, as the case may be. Subject to the foregoing restrictions, and certain other restrictions set out in the Aero Option Plan, the Aero Board is authorized to provide for the granting of Aero Options and the exercise and method of exercise of Aero Options granted under the Aero Option Plan.

Employment, Consulting and Management Agreements

On June 1, 2023, Aero entered into a consulting agreement with 101252098 Saskatchewan Ltd., a company controlled by Galen McNamara (the "**CEO Agreement**"). On March 28, 2024, the CEO Agreement was amended to increase the CEO fees from $10,000 plus GST per month to $15,000 plus GST per month. On April 9, 2024, the CEO Agreement was further amended to increase the CEO fees from $15,000 plus GST per month to $20,000 plus GST per month. Under the terms of the CEO Agreement, Mr. McNamara is engaged as the CEO of Aero. The CEO Agreement may be terminated before the end of the term by notice given on one month's notice. Under the terms of the CEO Agreement, if Aero terminates the CEO Agreement for just cause, Aero will not pay any fee, damages or other sums as a consequence of the termination except for fees and unpaid and reimbursable expenses accrued but unpaid to the effective termination date and Mr. McNamara will resign from any office with Aero or an affiliate of Aero.

Aero entered into a consulting agreement with Carson Halliday effective June 20, 2025 (the "**CFO Agreement**"). Under the terms of the CFO Agreement, Mr. Halliday is engaged as the CFO of Aero for a fee of $5,000 plus GST per month. Aero may terminate the CFO Agreement for just cause by giving Mr. Halliday written notice of termination, in which case Mr. Halliday shall not be entitled to any payments or benefits, other than amounts due and owing to the termination date. If Aero terminates the CFO Agreement other than for just cause, Aero shall provide Mr. Halliday with working notice, payment in lieu of working notice or a combination of the two equal to the total of the fees paid at the rate prescribed by the CFO Agreement in the three (3) months preceding termination, which amount is payable within thirty (30) days of the termination date. Mr. Halliday may terminate the CFO Agreement at any time by giving Aero thirty (30) days' notice prior to the termination date. In the event of the termination of the CFO Agreement on a change of control, or by Aero for reasons other than just cause, any outstanding incentive options and equity bonus issued to Mr. Halliday shall immediately vest and thereafter shall terminate and cease to be exercisable ninety (90) days after the termination date.

Oversight and Description of Director and NEO Compensation

Compensation of Directors

Compensation of directors of Aero is reviewed annually and determined by the Aero Board. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

The Aero Board does not currently offer cash compensation to directors at this time. While the Aero Board considers Aero Option grants to directors under the Aero Option Plan from time to time, the Aero Board does not employ a prescribed methodology when determining the grant or allocation of Aero Options. Other than the Aero Option Plan, as discussed above, Aero does not offer any long-term incentive plans, share compensation plans or any other such benefit programs for directors.

Compensation of NEOs

Compensation of NEOs is reviewed annually and determined by the Aero Board. The level of compensation for NEOs is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources. In the Aero Board's view, there is, and has been, no need for Aero to design or implement a formal compensation program for NEOs.

Elements of NEO Compensation

As discussed above, Aero provides an Aero Option Plan to motivate NEOs by providing them with the opportunity, through Aero Options, to acquire an interest in Aero and benefit from Aero's growth. The Aero Board does not employ a prescribed methodology when determining the grant or allocation of Aero Options to NEOs. Other than the Aero Option Plan, Aero does not offer any long-term incentive plans, share compensation plans, retirement plans, pension plans, or any other such benefit programs for NEOs.

Due to the relatively small size of Aero, limited cash resources, and the early stage and scope of Aero's operations, the NEOs do not currently receive annual salaries. The Aero Board will review Aero's financial performance on an annual basis to determine whether salaries can be paid to the NEOs at a later date.

Pension Disclosure

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by Aero and none are proposed at this time.

Indebtedness of Directors and Executive Officers

No person who is, or who has been, a director, executive officer or employee of Aero or any associate of any of the aforementioned, is or has been indebted to Aero or any of its subsidiaries or to any entity which has been provided a guarantee, support agreement, letter of credit or similar arrangement by Aero at any time before the date of this Information Circular.

Corporate Governance Disclosure

Corporate governance relates to the activities of the Aero Board, the members of which are elected by and are accountable to the shareholders and takes into account the role of the individual members of management who are appointed by the Aero Board and who are charged with the day-to-day management of Aero. National Policy 58-201 - *Corporate Governance Guidelines* ("**NP 58-201**") establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Aero Board is committed to sound corporate governance practices and feels that Aero's corporate governance practices are appropriate and effective for Aero given its current size.

Aero's corporate governance practices are summarized below.

Independence of Members of Board

As at the date of this Information Circular, Aero's current Board consists of five directors, four of whom are independent based upon the tests for independence set forth in NI 52-110. Brandon Bonifacio, Garrett Ainsworth, Grace Marosits and Brian Goss are independent. Galen McNamara is not independent as he is also an officer of Aero.

Participation of Directors and Officers in Other Reporting Issuers

The following table sets out, as at the date of this Information Circular, the current directors and executive officers of Aero that are currently directors of other reporting issuers:

Name	Name of Reporting Issuer	Name of Exchange or Market
Galen McNamara	Silver47 Exploration Corp.	TSXV
Carson Halliday	Datum Ventures Inc. Elysian Mineral Exploration Corp.	TSXV -
Brandon Bonifacio	NevGold Corp. AE Fuels Corporation Terra Balcanica Resources Corp. Faction Investment Group Corp.	TSXV TSXV CSE TSXV
Garett Ainsworth	District Metals Corp.	TSXV
Grace Marosits	TDG Gold Corp.	TSXV
Brian Goss	Ridgestone Mining Inc. Starmet Ventures Inc. NovaRed Mining Inc.	TSXV CSE CSE

Orientation and Continuing Education

While Aero does not have formal orientation and training programs, new Board members are provided with:

- information respecting the functioning of the Aero Board, committees and copies of Aero's corporate governance policies;
- access to recent, publicly filed documents of Aero;
- access to management and technical experts and consultants; and
- access to legal counsel in the event of any questions relating to Aero's compliance and other obligations.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit Aero's operations. Board members have full access to Aero's records.

Ethical Business Conduct

The Aero Board views good corporate governance as an integral component to the success of Aero and to meet responsibilities to Aero Shareholders. However, the Aero Board has not adopted a Code of Conduct.

The Aero Board, through its meetings with management and other informal discussions with management, encourages a culture of ethical business conduct and believes Aero's high caliber management team promotes a culture of ethical business conduct throughout Aero's operations and is expected to monitor the activities of Aero's employees, consultants and agents in that regard.

It is a requirement of applicable corporate law that directors and senior officers who have an interest in a transaction or agreement with Aero promptly disclose that interest at any meeting of the Aero Board at which the transaction or agreement will be discussed and, in the case of directors, abstain from discussions and voting in respect to same if the interest is material. These requirements are also contained in Aero's Articles, which are made available to directors and senior officers of Aero.

Nomination of Directors

The Aero Board has a responsibility for identifying potential Board candidates. The Aero Board assesses potential Aero Board candidates to fill perceived needs on the Aero Board for required skills, expertise, independence and other factors. Members of the Aero Board and representatives of the industry are consulted for possible candidates.

Compensation

The compensation of directors and the CEO is determined by the Aero Board as a whole. Such compensation is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

Board Committees

The Aero Board does not have any standing committees other than the Aero Audit Committee.

Audit Committee

The primary function of the audit committee of Aero (the "**Aero Audit Committee**") is to assist the Aero Board in fulfilling its financial oversight responsibilities with respect to the financial reporting process and the quality, transparency and integrity of the financial statements and other related public disclosures; Aero's systems of internal controls regarding finance and accounting and Aero's auditing, accounting and financial reporting processes. Consistent with this function, the Aero Audit Committee will encourage continuous improvement of, and should foster adherence to, Aero's policies, procedures and practices at all levels. The Aero Audit Committee meets at least quarterly.

See "Audit Committee" for details about its composition and function. The Charter of the Audit Committee is attached as Exhibit "C" to Schedule "E" to this Information Circular.

Assessments

The Aero Board does not consider that formal assessments would be useful at this stage of Aero's development. The Aero Board conducts informal annual assessments of the Aero Board's effectiveness, the individual directors and each of its committees. The Aero Board monitors the adequacy of information given to directors, communication between the Aero Board and management and the strategic direction and processes of the Aero Board and committees to satisfy itself that the Aero Board, its committees and its directors are performing effectively.

Audit Committee

Audit Committee Charter

The Aero Board has adopted a Charter of the Audit Committee, which sets out the Aero Audit Committee's mandate, organization, powers and responsibilities. The complete Charter is attached as Exhibit "A" to this Schedule "E".

Composition of the Audit Committee

As at the date of this Information Circular, the following are the members of the Aero Audit Committee:

Grace Marosits	Independent	Financially literate (1)
Brandon Bonifacio	Independent	Financially literate (1)
Brian Goss	Independent	Financially literate (1)

Note:

(1) As defined by National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). For the purposes of NI 52-110, an individual is financially literate if they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Aero's financial statements.

Relevant Education and Experience

Each of the Aero Audit Committee members has an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting. Each member has significant understanding of the business which Aero engages in and has an appreciation for the relevant accounting principles for that business. Specifically, the education and experience of each Aero Audit Committee member that is relevant to the performance of his responsibilities as an Aero Audit Committee member is as follows:

Grace Marosits – Ms. Marosits is a Chartered Professional Accountant (CPA, CA) and holds a Bachelor of Commerce degree from the Sauder School of Business at the University of British Columbia. She currently serves as a director of Aero and TDG Gold Corp. and chairs the Audit Committee at both companies. She previously served as Chief Financial Officer of NexGen Energy Ltd., where she led financial operations as the company advanced from the TSXV to the TSX and NYSE and completed over $220 million in financings. She oversaw financial reporting, compliance, budgeting, cash management, and transition of internal controls to US regulatory standards. In prior roles, she held senior corporate accounting roles at Westcoast Energy Inc. (now part of Enbridge Inc.) and Ballard Power Systems and began her career at Deloitte in audit before advancing to the role of Tax Manager, gaining broad experience across corporate clients.

Brandon Bonifacio – Mr. Bonifacio is a mining executive with over 10 years of experience in project development, mergers and acquisitions. Mr. Bonifacio is currently the President, CEO and a director of NevGold Corp. Prior to that, he was the finance director of the Norte Abierto Joint Venture (Cerro Casale/Caspiche) in the Maricunga Region, Chile and a member of the corporate development team at Goldcorp Inc. (now Newmont Corporation). Mr. Bonifacio holds a MASc in Mining Engineering and an MBA from the University of Nevada, Reno and a Bachelor of Commerce in Finance from the University of British Columbia.

Brian Goss – Mr. Goss has worked in the mining industry for over 20 years as an entrepreneur, executive, director and geologist, specifically in precious, base, and energy metals exploration. He is the founder and President of Rangefront Mining Services, an exploration and geology contracting company with offices across the western United States and Canada, that caters to a large spectrum of clients in the mining and exploration industries. Mr. Goss currently holds director positions at several TSXV and CSE-listed companies. He holds a Bachelor of Science with a major in Geology from Wayne State University in Michigan.

Audit Committee Oversight

At no time since the commencement of Aero's most recently completed financial year was a recommendation of the Aero Audit Committee to nominate or compensate an external auditor not adopted by the Aero Board.

Pre-Approval Policies and Procedures

The Aero Audit Committee has not adopted formal policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by, as applicable, the Aero Board and the Audit Committee, on a case-by-case basis.

External Auditors Service Fees

The aggregate fees billed by Aero's external auditors, Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, in each of the last two fiscal years for audit fees are as follows:

Fiscal Year Ending	Audit Fees [1]	Audit Related Fees [2]	Tax Fees [3]	All Other Fees [4]
April 30, 2025	$45,000	Nil	$5,550	Nil
April 30, 2024	$50,000	Nil	$11,500	Nil

Notes:

(1) "Audit fees" include aggregate fees billed or estimated by Aero's external auditor in each of the last two fiscal years for audit fees.

(2) "Audited Related Fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by Aero's external auditor that are reasonably related to the performance of the audit or review of Aero's financial statements and are not reported under "Audit Fees" above.

(3) "Tax Fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by Aero's external auditor for tax compliance, tax advice and tax planning.

(4) "All Other Fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Aero's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

Reliance on Certain Exemptions

During the most recently completed financial year, Aero has not relied on certain exemptions set out in NI 52-110, namely section 2.4 *(De Minimus Non-audit Services)*, subsection 6.1.1(4) *(Circumstance Affecting the Business or Operations of the Venture Issuer)*, subsection 6.1.1(5) *(Events Outside Control of Member)*, subsection 6.1.1(6) *(Death, Incapacity or Resignation)*, and any exemption, in whole or in part, in Part 8 *(Exemptions)*.

Aero is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 *(Composition of the Audit Committee)* and 5 *(Reporting Obligations)*.

Risk Factors

An investment in Aero Shares involves a significant degree of risk and should be considered speculative due to the nature of Aero's business and the present stage of its development. In evaluating the proposed transaction, Shareholders should carefully consider all of the information in this section, and, in particular, should evaluate the risk factors set out below. However, such risks may not be the only risks faced by Aero. Risks and uncertainties not presently known by Aero or which are presently considered immaterial may also adversely affect Aero's business, properties, results of operations and/or condition (financial or otherwise).

Resource Exploration and Development is a Speculative Business

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that may be acquired or discovered by Aero will be affected by numerous factors beyond its control. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Aero not receiving an adequate return on invested capital.

Substantial expenditures are required to establish ore reserves through drilling and metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the ore, and construct, renovate or expand mining and processing facilities. No assurance can be given that any level of recovery of ore reserves will be realized or that any identified mineral deposit, even it is established to contain an estimated resource, will ever qualify as a commercial mineable ore body which can be legally and economically exploited. The great majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

Ability to Raise Funding to Continue Exploration and other Activities

Aero has no revenues from operations and has recorded losses since inception. Aero expects to incur operating losses in future periods due to continuing expenses associated with general and administrative costs, costs of seeking new business opportunities, and advancing its projects.

Aero has finite financial resources and its ability to achieve and maintain profitability and positive cash flow is dependent upon its ability to generate revenues in excess of expenditures, reduce costs in the event revenues are insufficient and secure near and long-term financing.

Aero may rely on a combination of equity and debt financing to meet its capital requirements. Additional funds raised by Aero through the issuance of equity or convertible debt securities will cause current Aero Shareholders to experience dilution. Such securities may grant rights, preferences or privileges senior to those of the Aero Shareholders.

Aero does not have any contractual restrictions on its ability to incur debt and accordingly, Aero could incur significant amounts of indebtedness to finance its operations. Any such indebtedness could contain covenants, which would restrict Aero's operations.

Aero may need to pursue alternative ways to finance its future operations and seeks new business opportunities. There are no assurances or guarantees that any financing alternative will be successful. There is no certainty that additional financing either through traditional equity and debt financing arrangements or an alternative transaction, or any combination thereof, will be available at all or on acceptable terms.

Development of Properties

Aero is an exploration and development company and all of its properties and property interests are in the exploration stage. Aero has not defined or delineated any mineral resources or mineral reserves on any of its properties.

Fluctuation of Metal Prices

Even if commercial quantities of mineral deposits are discovered by Aero, there is no guarantee that a profitable market will exist for the sale of the metals produced. Factors beyond the control of Aero may affect the marketability of any substances discovered. The prices of various metals have experienced significant movement over short periods of time and are affected by numerous factors beyond the control of Aero, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any commodities will be such that any of the properties in which Aero has, or has the right to acquire, an interest may be mined at a profit.

Increased Costs

Management anticipates that costs at Aero's projects will frequently be subject to variation from one year to the next due to a number of factors, such as the results of ongoing exploration activities (positive or negative), changes in the nature of mineralization encountered, and revisions to exploration programs, if any, in response to the foregoing. Increases in the prices of such commodities or a scarcity of consultants or drilling contractors could render the costs of exploration programs to increase significantly over those budgeted. A material increase in costs for any significant exploration programs could have a significant effect on Aero's operating funds and ability to continue its planned exploration programs.

Reclamation

There is a risk that monies allotted for land reclamation may not be sufficient to cover all risks, due to changes in the nature of the waste rock or tailings and/or revisions to government regulations. Therefore, additional funds, or reclamation bonds or other forms of financial assurance may be required over the tenure of any mineral project of Aero to cover potential risks. These additional costs may have a material adverse effect on Aero's business, financial condition and results of operations.

Mining Industry is Intensely Competitive

Aero's business of the acquisition, exploration and development of mineral properties is intensely competitive. Increased competition could adversely affect Aero's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

Permits and Licenses

The operations of Aero will require licenses and permits from various governmental authorities. There can be no assurance that Aero will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all. Delays or a failure to obtain such licenses and permits or a failure to comply with the terms of any such licenses and permits that Aero does obtain, could have a material adverse effect on Aero.

Government Regulations

Any exploration, development or mining operations carried on by Aero, will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In addition, the profitability of any mining prospect is affected by the market for precious and/or base metals which is influenced by many factors including changing production costs, the supply and demand for metals, the rate of inflation, the inventory of metal producing corporations, the political environment and changes in international investment patterns.

Environmental Restrictions

The activities of Aero are subject to environmental regulations promulgated by government agencies in different countries from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. Certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

Public Health Crises

Aero may be adversely affected by public health crises and other events outside its control. Public health crises, such as epidemics and pandemics, acts of terrorism, war or other conflicts and other events outside of Aero's control, may adversely impact the activities of Aero as well as operating results. In addition to the direct impact that such events could have on Aero's facilities and workforce, these types of events could negatively impact capital expenditures and overall economic activity in impacted regions or, depending on the severity of the event, globally, which could impact the demand for and prices of commodities. A prolonged continuance of a public health crisis could adversely affect Aero's workforce and ability to operate generally as well as cause significant investment decisions to be delayed or postponed. A prolonged continuance of a public health crisis could also have a material adverse effect on overall economic growth and impact the stability of the financial markets and availability of credit. Any of these developments could have a material adverse effect on Aero's business, financial position, liquidity and results of operations.

Military Conflict in Ukraine and the Middle East

Although Aero's operations and properties are located in Canada and the United States, Aero's future operations may be affected by international conflicts including but not limited to, the war between Russia and Ukraine and the conflict among the United States, Israel, Iran, Hamas, Hezbollah and others in the Middle East. Any further escalation of these conflicts or other conflicts, imposition of sanctions, outbreak of war into other countries or regions or other escalation may have a material adverse effect on Aero's operations due to, among other factors, the effect on the supply chain, diversion of resources to the conflict, and an increase in Aero's costs for fuel and other supplies used to carry out its exploration activities. Metal prices continue being impacted by economic and geopolitical concern. Recent hostilities in the Middle East and Europe, and the accompanying international response, has been disruptive to the world economy, with increased volatility in commodity markets, including higher oil and gasoline prices, international trade and financial markets, all of which have a trickle-down effect on supply chains, equipment and construction. There is material uncertainty about the extent to which this conflict will continue to impact economic and financial affairs, as the numerous issues arising from the conflict are in flux and there is the potential for escalation of the conflict both within Europe, the Middle East and globally. Aero continues to monitor the situation, although there is no assurance Aero's operations will not be adversely affected by geopolitical tensions.

Title Matters

Although Aero has taken steps to verify the title to the mineral properties in which it has or has a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of Aero or of any underlying vendor(s) from whom Aero may be acquiring its interest). Title to mineral properties may be subject to unregistered prior agreements or transfers and may also be affected by undetected defects or the rights of indigenous peoples. Aero has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties for which titles have been issued are in good standing.

Indigenous Peoples Claims

Governments in many jurisdictions may consult with Indigenous Peoples with respect to grants of mineral rights and the issuance or amendment of project authorizations. These requirements are subject to change from time to time. As an example, the Government of British Columbia has recently introduced legislation to implement the United Nations Declaration on the Rights of Indigenous Peoples in British Columbia. Consultation and other rights of Indigenous Peoples may require accommodations, including undertakings regarding financial compensation, employment and other matters in impact and benefit agreements. This may affect Aero's ability to acquire within a reasonable time frame effective mineral titles or environmental permits in these jurisdictions, including in some parts of Canada in which Aboriginal title is claimed, and may affect the timetable and costs of development of mineral properties in these jurisdictions. The risk of unforeseen Indigenous Peoples' claims or grievances also could affect existing operations as well as development projects and future acquisitions. These legal requirements and the risk of Indigenous Peoples' opposition may increase our operating costs and affect our ability to expand or transfer existing operations or to develop new projects.

Exploration and Mining Risks

Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Short term factors, such as the need for orderly development of ore bodies or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in geological resources, grades, stripping ratios or recovery rates may affect the economic viability of projects.

Regulatory Requirements

The activities of Aero are subject to extensive regulations governing various matters, including environmental protection, management and use of toxic substances and explosives, management of natural resources, exploration, development of mines, production and post-closure reclamation, exports, price controls, taxation, regulations concerning business dealings with indigenous peoples, labour standards on occupational health and safety, including mine safety, and historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties, enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions, any of which could result in Aero incurring significant expenditures. Aero may also be required to compensate those suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspension of Aero's operations and delays in the exploration and development of Aero's properties.

Influence of Third Parties

The mineral properties in which Aero holds an interest, or the exploration equipment and road or other means of access which Aero intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, Aero's work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for Aero.

No Assurance of Profitability

Aero has no history of earnings and, due to the nature of its business there can be no assurance that Aero will ever be profitable. Aero has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to Aero is from the sale of its shares or, possibly, from the sale or optioning of a portion of its interest in its mineral properties. Even if the results of exploration are encouraging, Aero may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While Aero may generate additional working capital through further equity offerings or through the sale or possible syndication of its properties, there can be no assurance that any such funds will be available on favorable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of Aero at risk.

Uninsured or Uninsurable Risks

Exploration, development and mining operations involve various hazards, including environmental hazards, industrial accidents, metallurgical and other processing problems, unusual or unexpected rock formations, structural cave-ins or slides, flooding, fires, metal losses and periodic interruptions due to inclement or hazardous weather conditions. These risks could result in damage to or destruction of mineral properties, facilities or other property, personal injury, environmental damage, delays in operations, increased cost of operations, monetary losses and possible legal liability. Aero may not be able to obtain insurance to cover these risks at economically feasible premiums or at all. Aero may elect not to insure where premium costs are disproportionate to Aero's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

Potential Conflicts of Interest

The directors and officers of Aero may serve as directors and/or officers for other public and private companies, including companies in which Aero has invested in, and may devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which Aero is also participating, and to the extent that such companies may receive funds from Aero, such directors and officers of Aero may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. The BCBCA, which governs Aero, requires the directors and officers to act honestly, in good faith, and in the best interests of Aero and its shareholders. However, in conflict of interest situations, directors and officers of Aero may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions. There is no assurance that the needs of Aero will receive priority in all cases. From time to time, several companies may participate together in the acquisition, exploration and development of natural resource properties, thereby allowing these companies to: (i) participate in larger programs; (ii) acquire an interest in a greater number of programs; and (iii) reduce their financial exposure to any one program. A particular company may assign, at its cost, all or a portion of its interests in a particular program to another affiliated company due to the financial position of Aero making the assignment. In determining whether or not Aero will participate in a particular program and the interest therein to be acquired by it, it is expected that the directors and officers of Aero will primarily consider the degree of risk to which Aero may be exposed and its financial position at that time.

Key Executives and Outside Consultants

Aero is dependent upon the services of key executives, including the directors of Aero, and will be dependent on a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of Aero, the loss of these persons or the inability of Aero to attract and retain additional highly skilled employees may adversely affect its business and future operations.

Aero has also relied upon outside consultants, geologists, engineers and others and intends to rely on these parties for their exploration and development expertise. Substantial expenditures are required to construct mines, to establish mineral resources and reserves estimates through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes and to develop the development, exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on Aero's business, financial condition and results of operations.

Joint Ventures

Aero may enter into joint venture arrangements with regard to future exploration, development and production properties. There is a risk any future joint venture partner does not meet its obligations and Aero may therefore suffer additional costs or other losses. It is also possible that the interests of Aero or future joint venture partners are not aligned resulting in project delays or additional costs and losses. Aero may have minority interests in the companies, partnerships and ventures in which it invests and may be unable to exercise control over the operations of such companies.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect Aero's operations, financial condition and results of operations.

Accounting Policies and Internal Controls

Aero prepares its financial reports in accordance with International Financial Reporting Standards. In preparation of its financial reports, management may need to rely upon assumptions, make estimates or use their best judgment in determining the financial condition of Aero. Significant accounting policies are described in more detail in Aero's audited financial statements. In order to have a reasonable level of assurance that financial transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported, Aero has implemented and continues to analyze its internal control systems for financial reporting, as further explained in its audited financial statements. Although Aero believes its financial reporting and financial statements are prepared with reasonable safeguards to ensure reliability, Aero cannot provide absolute assurance in this regard.

Litigation

Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Like most companies, Aero is subject to the threat of litigation and may be involved in disputes with other parties in the future which may result in litigation or other proceedings. The results of litigation or any other proceedings cannot be predicted with certainty. If Aero is unable to resolve these disputes favourably, it could have a material adverse effect on Aero's business, financial condition and results of operations.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of Aero Shares in the public markets, or the potential for such sales, could decrease the trading price of the Aero Shares and could impair Aero's ability to raise capital through future sales of Aero Shares. Aero has previously completed private placements at prices per share which may be, from time to time, lower than the market price of the Aero Shares. Accordingly, a significant number of Aero Shareholders at any given time may have an investment profit in the Aero Shares that they may seek to liquidate.

Dividend Policy

No dividends on the Aero Shares have been paid by Aero to date. Aero currently plans to retain all future earnings and other resources, if any, of the future operation and development of its business. Payment of any future dividends, if any, will be at the discretion of the Aero Board after taking into account many factors, including Aero's operating results, financial condition and current and anticipated cash needs.

Information Systems

Targeted attacks on Aero's systems (or on systems of third parties that Aero relies on), failure or non- availability of a key information technology ("**IT**") systems or a breach of security measures designed to protect Aero's IT systems could result in disruptions to Aero's operations, extensive personal injury, property damage or financial or reputational risks. Aero has engaged IT consultants to implement and test system controls and disaster recovery infrastructure for certain IT systems. As the threat landscape is ever-changing, Aero must make continuous mitigation efforts, including: risk prioritized controls to protect against known and emerging threats; tools to provide automate monitoring and alerting and backup and recovery systems to restore systems and return to normal operations.

Legal Proceedings and Regulatory Actions

Other than as disclosed below, Aero is not aware of any actual or pending material legal proceedings to which it is or is likely to be party or of which any of its business or property is or is likely to be subject.

Aero and certain of its subsidiaries and other parties have been named as defendants in a civil action commenced in the State of Nevada pro-se by William Matlack in connection with historical transactions involving certain mineral claims located in Lander County, Nevada. The plaintiff alleges, among other things, breach of contract, breach of fiduciary duty, and related claims arising from agreements and transactions involving entities that previously held interests in the Apex Property area. Aero believes the allegations are without merit and intends to vigorously defend the action. At this time, Aero is unable to determine the outcome of the proceeding or the potential financial impact, if any.

No penalties or sanctions were imposed against Aero by a court relating to securities legislation or by a securities regulatory authority during the year ended April 30, 2025. No penalties or sanctions were imposed by a court or regulatory body against Aero that would likely be considered important to a reasonable investor in making an investment decision. Aero did not enter into any settlement agreements before a court relating to securities legislation or with a securities regulatory authority during the year ended April 30, 2025.

Interest of Management and Others in Material Transactions

Except as disclosed herein, no director, executive officer or persons or companies who beneficially own, control or direct, directly or indirectly, more than ten percent of any class of outstanding voting securities of Aero, nor any associate or affiliate of the foregoing persons, has or has had any material interest, direct or indirect, in any transactions with Aero within the three most recently completed financial years or during the current financial year, that has materially affected or is reasonably expected to have a material effect on Aero.

Transfer Agent and Auditor

The transfer agent and registrar of the Aero Shares is Computershare Investor Services Inc. at its offices in Vancouver, British Columbia.

Dale Matheson Carr-Hilton LaBonte LLP, Suite 1500, 1140 West Pender Street, Vancouver, British Columbia V6E 4G1, are the auditors of Aero.

Material Contracts

Other than contracts entered into in the ordinary course of business, the only material contracts of Aero are:

- the option agreement dated December 15, 2023, as amended on November 13, 2025, among 7153945 Canada Inc., Fortune Bay Corp. and 1443904 B.C. Ltd., and as assigned to and assumed by Aero;
- the Urano Arrangement Agreement;
- the Pegasus Arrangement Agreement; and
- the Subscription Receipt Agreement (upon and assuming the closing of the non-brokered private placement of the Aero Subscription Receipts as disclosed above).

Interests of Experts

Darren Slugoski, P. Geo., of ZS Consulting Ltd. prepared the Black Bay Technical Report which is referred to in this Schedule "E". Mr. Slugoski is a qualified person as defined by NI 43-101 and is independent of Aero.

Dale Matheson Carr-Hilton LaBonte LLP, Aero's auditors, are independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

The aforementioned firms and persons held either less than one percent or no securities of Aero or of any associate or affiliate of Aero when they prepared the technical reports or information referred to, or following the preparation of such reports or information.

Additional Information

Additional information relating to Aero may be found on the System for Electronic Document Analysis and Retrieval + ("**SEDAR+**") which can be accessed at www.sedarplus.ca. In addition, readers may obtain copies of documents filed on SEDAR+ on request without charge from the Corporate Secretary of Aero by telephone at 604-288-8001 or by email at admin@sentinelcorp.ca.

EXHIBIT "A"

AERO ANNUAL FINANCIAL STATEMENTS
AND
AERO ANNUAL MD&A

(See attached)

AERO ENERGY LIMITED

Consolidated Financial Statements
For the years ended April 30, 2025 and 2024
(Expressed in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Shareholders of Aero Energy Limited

Opinion

We have audited the consolidated financial statements of Aero Energy Limited (the "Company"), which comprise the consolidated statements of financial position as at April 30, 2025 and 2024, and the consolidated statements of loss and comprehensive loss, cash flows and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes events or conditions that indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters, that in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Barry Hartley.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

August 27, 2025

AERO ENERGY LIMITED
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
As at

		April 30, 2025		April 30, 2024
ASSETS				
Current assets				
Cash	**$**	**429,421**	$	3,749,613
Marketable Securities (Note 5)		**420,001**		214,283
Receivables		**87,278**		88,031
Prepaid expenses and deposits		**93,043**		1,235,775
		1,029,743		5,287,702
Advances to joint venture partners (Note 7)		**131,354**		65,939
Exploration and evaluation assets (Note 7)		**7,716,085**		10,067,008
TOTAL ASSETS	**$**	**8,877,182**	$	15,420,649
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (Notes 8 and 13)	**$**	**452,126**	$	125,842
Deferred premium on flow-through shares (Note 9)		**83,677**		579,519
TOTAL LIABILITIES		**535,803**		705,361
SHAREHOLDERS' EQUITY				
Share capital (Note 10)		**37,103,012**		35,411,106
Reserve (Note 11)		**1,942,658**		1,271,936
Accumulated deficit		**(30,704,291)**		(21,967,754)
TOTAL SHAREHOLDERS' EQUITY		**8,341,379**		14,715,288
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**8,877,182**	$	15,420,649

Nature of operations and going concern (Note 1)
Subsequent events (Note 17)

These financial statements were authorized for issue by the Board of Directors on August 27, 2025. They are signed on behalf of the Board of Directors by:

"Galen McNamara"
Director

"Brandon Bonifacio"
Director

The accompanying notes form an integral part of these consolidated financial statements.

AERO ENERGY LIMITED
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	For the Years Ended	
	April 30, 2025	April 30, 2024
EXPENSES		
Management fees (Note 13)	**$ 249,500**	$ 169,000
General and administrative fees	**167,045**	64,370
Professional fees (Note 13)	**186,868**	171,792
Consulting fees	**438,176**	248,558
Shareholder information and investor relations	**1,119,038**	138,065
Transfer agent, regulatory and listing fees	**31,963**	75,401
Foreign exchange (gain) loss	**(288)**	15,327
Stock-based compensation (Notes 11 and 13)	**625,450**	-
Impairment of exploration and evaluation assets (Note 7)	**7,015,406**	7,897
	9,833,158	890,410
OTHER ITEMS		
Change in fair value of marketable securities (Note 5)	**(205,718)**	4,331
Loss on debt settlement (Note 10)	**-**	120,800
Reversal of accounts payable	**-**	(40,685)
Flow-through share premium reversal (Note 9 and 10)	**(849,776)**	(112,578)
Interest income	**(41,127)**	-
NET AND COMPREHENSIVE LOSS FOR THE YEAR	**$ 8,736,537**	$ 862,278
Basic and diluted loss per post-consolidation share for the year	**$ 0.08**	$ 0.02
Weighted average number of common shares outstanding	**107,525,082**	35,367,603

The accompanying notes form an integral part of these consolidated financial statements.

AERO ENERGY LIMITED
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	For the Years Ended	
	April 30, 2025	April 30, 2024
Cash flows provided by (used in):		
OPERATING ACTIVITIES		
Net loss for the year	**$ (8,736,537)**	$ (862,278)
Adjustments for item not affecting cash:		
Stock-based compensation	**625,450**	-
Change in fair value of marketable securities	**(205,718)**	4,331
Impairment of exploration and evaluation assets	**7,015,406**	7,897
Flow-through share premium reversal	**(849,776)**	(112,578)
Reversal of accounts payable	**-**	(40,685)
Loss on debt settlement	**-**	120,800
Net changes in non-cash working capital items:		
Receivables and prepaid expenses	**1,143,485**	(1,274,838)
Accounts payable and accrued liabilities	**232,779**	24,765
Net cash flows used in operating activities	**(774,911)**	(2,132,586)
INVESTING ACTIVITIES		
Exploration and evaluation assets	**(4,410,978)**	(631,794)
Advances to joint venture partners	**(65,415)**	(65,939)
Net cash flows used in investing activities	**(4,476,393)**	(697,733)
FINANCING ACTIVITIES		
Proceeds from private placement, net of cash share issuance costs	**1,931,112**	6,364,756
Proceeds from promissory notes issued	**-**	90,000
Net cash flows provided by financing activities	**1,931,112**	6,454,756
Net increase (decrease) in cash	**(3,320,192)**	3,624,437
Cash, beginning of year	**3,749,613**	125,176
Cash, end of year	**$ 429,421**	$ 3,749,613
Supplemental cash flow information:		
Non-cash share issuance for exploration and evaluation assets	**$ 160,000**	$ 2,898,101
Fair value of shares issued for debt	**$ -**	$ 271,800
Finder warrants issued in private placement	**$ 45,272**	$ 214,181
Exploration and evaluation assets included in accounts payable and accrued liabilities	**$ 134,191**	$ 64,470

The accompanying notes form an integral part of these consolidated financial statements.

AERO ENERGY LIMITED
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of shares	Share capital	Reserve	Accumulated deficit	Total
Balance at April 30, 2023	**14,470,526**	**$ 26,782,727**	**$ 1,223,920**	**$ (21,271,641)**	**$ 6,735,006**
Common shares issued on private placement (Note 10)	51,599,349	6,744,000	-	-	6,744,000
Common shares issued on acquisition of 1443904 BC Ltd. (Notes 6 and 10)	23,500,000	2,498,101	-	-	2,498,101
Common shares issued on debt settlement (Note 10)	3,020,000	271,800	-	-	271,800
Common shares issued for mineral properties (Note 7 and 10)	2,666,666	400,000	-	-	400,000
Shares issuance costs (Note 10)	-	(593,425)	214,181	-	(379,244)
Fair value of expired and cancelled stock options (Note 11)	-	-	(166,165)	166,165	-
Flow-through share premium (Note 9)	-	(692,097)	-	-	(692,097)
Net loss for the year	-	-	-	(862,278)	(862,278)
Balance at April 30, 2024	**95,256,541**	**35,411,106**	**1,271,936**	**(21,967,754)**	**14,715,288**
Common shares issued on private placement (Note 10)	24,004,070	2,034,219	-	-	2,034,219
Common shares issued for mineral properties (Note 7 and 10)	2,666,666	160,000	-	-	160,000
Flow-through share premium (Note 9)	-	(353,934)	-	-	(353,934)
Shares issuance costs (Note 10)	-	(148,379)	45,272	-	(103,107)
Stock-based compensation (Note 11)	-	-	625,450	-	625,450
Net loss for the year	-	-	-	(8,736,537)	(8,736,537)
Balance at April 30, 2025	**121,927,277**	**$ 37,103,012**	**$ 1,942,658**	**$ (30,704,291)**	**$ 8,341,379**

The accompanying notes form an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Aero Energy Limited. (the "Company" or "Aero") was incorporated under the Canada Business Corporations Act on October 6, 2004. On October 22, 2012, the Company completed a continuation under the BC Business Corporations Act. The Company's registered office is located at Suite 2200 – 855 West Georgia Street, Vancouver, BC, V6C 3E8. The Company is listed on the TSX Venture Exchange (the "Exchange") and trades under the symbol "AERO" and on the OTC Pink under the symbol "AAUGF".

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. At April 30, 2025, the Company had cash of $429,421 (April 30, 2024 - $3,749,613) and its current assets exceed its current liabilities by $493,940 (April 30, 2024 – $4,582,341). The Company is a junior mineral exploration stage company in the business of acquiring, exploring, and evaluating natural resource properties. The Company has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of $30,704,291 as at April 30, 2025 (April 30, 2024 - $21,967,754). Whether and when the Company can achieve profitability and positive cash flows from operations is uncertain. These uncertainties may cast significant doubt on the ability of the Company to continue as a going concern.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future. These consolidated financial statements do not give effect to the required adjustments to the carrying amounts and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board ("IASB").

(b) Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss ("FVTPL"), which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The material accounting policies, as disclosed, have been applied consistently to all periods presented in these consolidated financial statements.

(c) Presentation and functional currency

The presentation and functional currency of the Company and its subsidiaries is the Canadian dollar. All amounts in these consolidated financial statements are expressed in Canadian dollars, unless otherwise indicated.

(d) Significant accounting judgments and estimates

The preparation of financial statements in accordance with IFRS requires management to make certain critical accounting estimates and assumptions about the future and to exercise judgment in applying the Company's accounting policies. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. The impacts of changes to estimates are recognized in the period estimates are revised and in future periods affected. The critical judgments and assumptions made by management and other major sources of measurement uncertainty are discussed in Note 4.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies used in the preparation of these consolidated financial statements are as follows:

(a) Basis of consolidation

The Company's consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries Federal Gold Corp. ("Federal"), TY & Sons Explorations (Chile) Inc., Rio Explorations SpA, Angold Resources (USA) Ltd. and 1443904 B.C. Ltd. Subsidiaries are entities controlled by the Company, where control is achieved by the Company being exposed to, or having rights to, variable returns from its involvement with the entity and having the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases.

All inter-company transactions, balances, income and expenses are eliminated on consolidation.

(b) Foreign currency transactions

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at rates prevailing at the date when the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in the statements of loss and comprehensive loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(c) Financial instruments

i) Classification and measurement

Financial asset

The classification and measurement of financial assets is based on the Company's business models for managing its financial assets and whether the contractual cash flows represent solely payments of principal and interest ("SPPI"). Financial assets are initially measured at fair value less, for an item not at fair value through profit or loss, transaction costs directly attributable to its acquisition or issue, and are subsequently measured at either (i) amortized cost; (ii) fair value through other comprehensive income, or (iii) at fair value through profit or loss.

Amortized cost

Financial assets classified and measured at amortized cost are those assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are SPPI. Financial assets classified at amortized cost are measured using the effective interest method. The Company's receivables are classified and measured at amortized cost.

Fair value through other comprehensive income ("FVTOCI")

Financial assets classified and measured at FVTOCI are those assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise to cash flows that are SPPI. The Company does not have any assets classified and measured at FVTOCI.

Fair value through profit or loss ("FVTPL")

Financial assets classified and measured at FVTPL are those assets that do not meet the criteria to be classified at amortized cost or at FVTOCI. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. The Company's cash and marketable securities are classified in this category.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

(c) Financial instruments *(continued)*

i) Classification and measurement *(continued)*

Financial liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest-related charges are reported in profit or loss within interest expense, if applicable.

Other financial liabilities are non-derivatives and are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method. This ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statements of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding. Accounts payable are included in this category and represent liabilities for goods and services provided to the Company prior to the end of the year that are unpaid.

ii) Derecognition of financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

iii) Derecognition of financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of comprehensive loss.

(d) Restoration, rehabilitation, and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other assets. The increase in the restoration provision due to the passage of time is recognized as accretion expense.

The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

(e) Exploration and evaluation expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Government tax credits are recorded as a reduction to the cumulative costs incurred and capitalized on the related property in the period it is received.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(f) Share capital

Common shares

Common shares issued are classified as share capital, a component of shareholders' equity. Transaction costs directly attributable to the issuance of common shares are recognized as a deduction from share capital.

Equity units

Proceeds received on the issuance of units, comprised of common shares and warrants, are allocated using the residual value method. Under the residual value method, proceeds are allocated to the common shares up to their fair value, determined by reference to the quoted market price of the common shares, and the remaining balance, if any, to the reserve account for warrants.

(g) Share options and warrants

All share options and warrants are included in reserves, a component of shareholders' equity, until exercised. Upon exercise, the consideration received plus the amounts in reserves attributable to the options and/or warrants being exercised are credited to share capital. When share options and warrants expire unexercised or are cancelled, other than cancellations resulting from forfeitures when vesting conditions are not satisfied, the amounts recognized in reserves are reclassified to accumulated deficit.

Stock-based compensation to employees is measured at the fair value of the instruments granted. Stock-based compensation is measured at the fair value of the goods or services received or the fair value of the equity instruments issued as calculated using the Black-Scholes Option Pricing Model. The offset to the recorded expense is to reserves. The fair value of awards is calculated using the Black-Scholes Option Pricing Model which considers the following factors: exercise price; current market price of the underlying shares; expected life of the award; risk-free interest rate; forfeiture rate; and expected volatility. Share-based compensation to non-employees is measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods and services cannot be reliably measured, and are recorded at the date the goods or services are received.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

(h) Income taxes

Income tax on profit or loss comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on taxable income for the period.

Deferred tax is provided for using the asset and liability method of accounting, whereby deferred tax assets and liabilities are recognized for the future tax effects of differences between the carrying amounts of assets and liabilities in the consolidated statement of financial position and the tax bases of the assets and liabilities (temporary differences), unused tax losses and other income tax deductions. Temporary differences on the initial recognition of assets or liabilities that affect neither accounting nor taxable profit or loss are not provided for. Deferred tax assets and liabilities are measured based on the expected manner of realization or settlement of the carrying amounts of the related assets and liabilities, using tax rates enacted or substantively enacted at the consolidated statement of financial position date. Deferred tax assets are recognized for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and other income tax deductions can be utilized.

Income tax on profit or loss comprises current and deferred tax. Income tax is recognized in profit or loss, except deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(i) Loss per share

Loss per share is calculated by dividing loss attributable to common shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted loss per share is determined by adjusting loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. The calculation of diluted loss per share excludes the effects of various conversions and exercises of options and warrants that would be anti-dilutive.

(j) Impairment of non-financial assets

Impairment tests on non-financial assets, including exploration and evaluation assets are undertaken whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

Impairment losses are recognized in profit or loss. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

(k) Flow-through shares

The Company renounces qualifying Canadian exploration expenditures to certain share subscribers who subscribe for flow-through shares in accordance with the Income Tax Act (Canada). Under these provisions, the Company is required to incur and renounce qualifying expenditures on a timely basis for the respective flow-through subscriptions and, accordingly, it is not entitled to the related tax deductions and tax credits for such expenditures. Any premium received by the Company on the issuance of flow-through shares is initially recorded as liability ("deferred premium on flow-through shares"). As the qualifying expenditures are incurred, a deferred tax liability is recognized and the deferred premium will be reversed provided that the Company has renounced, or there is reasonable expectation that the Company will renounce, the tax benefits associated with the related expenditures. To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

(I) New accounting standards and interpretations

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes.

IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

4. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Significant accounting judgments

The critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Impairment of long-lived assets

The Company evaluates each long-term asset each reporting period to determine if there are any indications of impairment. If any such indications exist, an estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The estimates and assumptions used to estimate the recoverable amount of the long-lived assets are subject to risk and uncertainty and there is the possibility that changes in circumstances will alter these estimates and assumptions.

Determination of functional currency

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the respective entity operates; the Company has determined the functional currency of Aero Energy Limited and its subsidiaries to be the Canadian dollar. Such determination involves certain judgments to identify the primary economic environment. The Company reconsiders the functional currency of its subsidiaries if there is a change in events and/or conditions which determine the primary economic environment.

Key sources of estimation uncertainty

The key assumptions management has made about the future and other major sources of estimation uncertainty at the date of the consolidated statement of financial position that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

(Expressed in Canadian Dollars)

4. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

Income taxes

The Company recognizes deferred tax assets for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and other income tax deductions can be utilized. In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

As at April 30, 2025 and 2024, the Company has not recognized any deferred tax assets for deductible temporary differences. Changes in any of the above-mentioned estimates can materially affect the amount of income tax assets recognized. In addition, where applicable tax laws and regulations are either unclear or subject to varying interpretations, changes in these estimates can occur that materially affect the amounts of income tax assets recognized. The Company reassesses unrecognized income tax assets at the end of each reporting period.

Valuation of stock-based compensation

The Company uses the Black-Scholes Option Pricing Model for valuation of stock-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

5. MARKETABLE SECURITIES

On May 18, 2023, the Company received 10,000,000 shares in Minas Metals Ltd. ("Minas Metals") as consideration for the Iron Butte and Hope Butte properties. The fair value on the date the shares were received was determined to be $218,614. The shares were subject to a lock-up restriction expiring on May 18, 2024.

On December 27, 2024, Minas Metals completed a share consolidation on the basis of 10:1. On May 5, 2025 Minas Metals changed its name to Universal Digital Inc ("Universal Digital").

	April 30, 2025	April 30, 2024
Fair value, beginning of year	$ 214,283	$ -
Additions	-	218,614
Change in fair value	205,718	(4,331)
Fair value, end of year	$ 420,001	$ 214,283

Subsequent to April 30, 2025, the Company sold all of its shares in Universal Digital for gross proceeds of $423,273 (Note 17).

(Expressed in Canadian Dollars)

6. ACQUISITION OF 1443904 BC LTD.

On February 8, 2024, the Company completed the acquisition (the "Transaction") of 1443904 B.C. Ltd. ("NumberCo") for consideration of 23,500,000 common shares of the Company. NumberCo holds options to acquire up to 70% of the Murmac Property and Strike Property, and 100% of the Sun Dog Property (collectively, the "Optioned Properties") (Note 7).

The Company accounted for the purchase as an asset acquisition as it did not meet the definition of a business under IFRS 3, "Business Combinations". The following table summarizes the total consideration, the fair value of the acquired identifiable assets and liabilities assumed as of the date of the acquisition:

Fair value of common shares issued (Note 10)	$	2,498,101
Transaction costs		24,253
Total consideration	$	2,522,354
Assets acquired:		
Cash	$	108,782
Other current assets		15,750
Exploration and evaluation asset – Sun Dog (Note 7)		1,569,522
Exploration and evaluation asset – Fortune Bay (Note 7)		865,250
Current liabilities assumed		(36,950)
Net assets acquired	$	2,522,354

7. EXPLORATION AND EVALUATION ASSETS

	Sun Dog	Fortune Bay	Uchi	Chile Properties	Total
Acquisition Costs					
Balance, April 30, 2023	$ -	$ -	$ -	$ 284,875	$ 284,875
Additions	1,769,522	1,065,250	-	-	2,834,772
Balance, April 30, 2024	1,769,522	1,065,250	-	284,875	3,119,647
Additions	293,333	266,667	-	-	560,000
Impairment	-	-	-	(284,875)	(284,875)
Balance, April 30, 2025	$ 2,062,855	$ 1,331,917	$ -	$ -	$ 3,394,772
Deferred Exploration Costs	-	-	-	-	-
Balance, April 30, 2023	$ -	$ -	$ -	$ 6,237,837	$ 6,237,837
Exploration	-	-	-	1,206	1,206
Permitting and staking fees	15,207	15,207	-	82,192	112,606
Geophysics	119,690	240,759	-	-	360,449
General project costs	128,409	6,480	7,897	100,374	243,160
Impairment	-	-	(7,897)	-	(7,897)
Balance, April 30, 2024	$ 263,306	$ 262,446	$ -	$ 6,421,609	$ 6,947,361
Geophysics	439,011	124,386	-	-	563,397
General project costs	23,765	68,428	-	308,922	401,115
Drilling	1,044,378	2,095,593	-	-	3,139,971
Impairment	-	-	-	(6,730,531)	(6,730,531)
Balance, April 30, 2025	$ 1,770,460	$ 2,550,853	$ -	$ -	$ 4,321,313
Total					
Balance, April 30, 2024	$ 2,032,828	$ 1,327,696	$ -	$ 6,706,484	$ 10,067,008
Balance, April 30, 2025	$ 3,833,315	$ 3,882,770	$ -	$ -	$ 7,716,085

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS *(continued)*

Sun Dog Property

On October 20, 2023, the Company signed a definitive option agreement with Standard Uranium Ltd. ("Standard Uranium"), whereby the Company has the option to acquire 100% of the Sun Dog property by completing the following requirements:

	Cash (C$)		Consideration Shares (C$)		Exploration Expenditures (C$)	Interest Earned
Execution Date	$200,000[1]	(paid)	$200,000	(issued)	*Nil*	
October 20, 2024	$200,000	(paid)	$200,000	(issued)	$1,500,000	
October 20, 2025	$250,000		$250,000		$2,000,000	
October 20, 2026	*Nil*		*Nil*		$3,000,000	
Total	**$650,000**		**$650,000**		**$6,500,000**	**100%**

(1) – Paid by NumberCo prior to the Transaction (Note 6).

Pursuant to the option agreement, Standard Uranium will act as the operator of the work programs, which are to be funded by the Company. As of April 30, 2025, the Company had advanced $32,485 (2024 - $65,939) to Standard Uranium to be spent on exploration expenditures, which had not yet been incurred.

Fortune Bay Properties

On December 15, 2023, the Company signed a definitive option agreement with 7153945 Canada Inc. and Fortune Bay Corp. ("Fortune Bay") whereby the Company has the option to acquire up to a 70% interest in the properties, which includes the Murmac Property, the Strike Property, and any additional mineral rights acquired pursuant to the agreement (the "Properties"). The phased requirements for the Company to earn up to a 70% interest are as follows:

	Cash (C$)		Consideration Shares (C$)		Exploration Expenditures (C$)	Interest Earned
Execution Date	$200,000[1]	(paid)	$200,000	(issued)	*Nil*	
December 15, 2024	$200,000	(paid)	$200,000	(issued)	$1,000,000	
December 15, 2025	$250,000		$250,000		$2,000,000	
Total (First Option)	**$650,000**		**$650,000**		**$3,000,000**	**51%**
December 15, 2026	$300,000		$300,000		$3,000,000	
Total (Second Option)	**$300,000**		**$300,000**		**$3,000,000**	**60%**
December 15, 2027	$400,000		$1,200,000		*Nil*	
Total (Third Option)	**$400,000**		**$1,200,000**		***Nil***	**70%**
Grand Total	**$1,350,000**		**$2,150,000**		**$6,000,000**	

(1) – Paid by NumberCo prior to the Transaction (Note 6).

After earning-in a 51%, 60% or 70% interest (whichever the case may be), the Company and Fortune Bay will form a joint venture with standard pro-rata funding requirements.

Pursuant to the option agreement, Fortune Bay will act as the operator of the work programs, which are to be funded by the Company. As of April 30, 2025, the Company had advanced $98,869 (2024 - $Nil) to Fortune Bay to be spent on exploration expenditures, which had not yet been incurred.

Chile Properties

The Lajitas and Dorado claims comprise the Dorado property and is located in the Maricunga region of Chile. The Nevada claim comprises the Cordillera property and is also located in the Maricunga region of Chile. The Company has a 100% interest in the Dorado and the Cordillera Properties that include a 2% net smelter royalty which may be reduced to 1% for a payment of $2,000,000 at any time. As of April 30, 2025, the Company determined it was not going to proceed with further exploration work at the Chile Properties, to focus its efforts on the Sun Dog and Fortune Bay properties. Accordingly, the Chile Properties were written off during the year ended April 30, 2025.

(Expressed in Canadian Dollars)

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

At April 30, 2025 and 2024, the Company's accounts payable and accrued liabilities are composed of the following:

		April 30, 2025		April 30, 2024
Accounts payable (Note 13)	$	424,724	$	108,023
Accrued liabilities		27,402		17,819
Total	**$**	**452,126**	**$**	**125,842**

9. DEFERRED PREMIUM ON FLOW-THROUGH SHARES

		April 30, 2025		April 30, 2024
Balance, beginning of year	**$**	**579,519**	**$**	**-**
Deferred premium on flow-through shares issued		353,934		692,097
Flow-through premium reversal		(849,776)		(112,578)
Balance, end of year	**$**	**83,677**	**$**	**579,519**

Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company indemnified the holders of such shares for any tax and other costs payable by them in the event the Company has not made the required exploration expenditures. Under the IFRS framework, the increase to share capital when flow-through shares are issued is measured based on the current market price of common shares. The incremental proceeds, or "premium", are recorded as a liability.

During the year ended April 30, 2024, the Company received $3,183,142 from the issuance of flow-through shares at a premium to the market price and recognized a deferred premium on flow-through shares of $692,097. The Company incurred and renounced eligible expenditures of $486,064 during the year ended April 30, 2024. These expenditures will not be available to the Company for future deduction from taxable income.

During the year ended April 30, 2025, the Company received $1,406,669 from the issuance of flow-through shares at a premium to the market price and recognized a deferred premium on flow-through shares of $353,934.

As at April 30, 2025, the Company had a remaining qualifying expenditure commitment of $367,167 (April 30, 2024 – $2,697,078) from the proceeds of flow-through shares issued on November 14, 2024. These amounts must be incurred on eligible exploration expenditures prior to December 31, 2025 in accordance with the terms of the flow-through share agreements and applicable tax legislation.

10. SHARE CAPITAL

As of April 30, 2025, the Company had an unlimited number of common shares authorized without par value and 121,927,277 (April 30, 2024 – 95,256,541) common shares outstanding.

Year ended April 30, 2025

On October 18, 2024, and December 13, 2024, the Company issued 1,333,333 common shares to each of Standard Uranium and Fortune Bay at a fair value of $93,333 and $66,667, respectively, pursuant to the respective option agreements. Each issuance represented the issuance of the year 2 Consideration Shares (Note 7). The number of shares issued is based on the Company's initial public offering price of $0.15 per share.

On November 14, 2024, the Company closed a non-brokered private placement for gross proceeds of $2,034,219 by issuing (i) 8,964,998 non-flow-through units of the Company at a price of $0.07 per unit; (ii) 7,637,500 flow-through units of the Company at a price of $0.08 per unit; and (iii) 7,401,572 flow-through charity units at a price of $0.1075 per unit. Each unit consists of one common share of the Company and one-half of one share purchase warrant (each whole warrant, a "Warrant"). The Warrants are exercisable at a price of $0.11, expire on November 14, 2026, and will be issued on a non-flow-through basis. No value was allocated to the Warrants under the residual method.

In connection with the private placement, the Company paid cash finders' fees of $99,779 and issued 887,360 finder's warrants to eligible finders, as well as incurred other share issuance costs of $3,328. The finder's warrants were issued on the same terms as the Warrants and had a fair value of $45,272. The fair value of finder's warrants was determined using the Black-Scholes Option Pricing Model with the following assumptions: risk free rate of 3.18%; expected life of 2 years; expected volatility of 172% and dividend yield of $Nil.

10. SHARE CAPITAL *(continued)*

Year ended April 30, 2024

On November 7, 2023, the Company completed a non-brokered private placement for gross proceeds of $844,000 through the issuance of 16,880,000 common shares at a price of $0.05. No finders' fees were paid in connection with the private placement. The Company incurred share issuance costs of $25,723.

On the same date, the Company settled the loans payable of $90,000 and accounts payable of $61,000 through the issuance of 3,020,000 common shares (the "Settlement Shares"). The Settlement Shares were issued under the same terms as the non-brokered private placement. The fair value of the Settlement Shares was determined to be $271,800 based on the closing price of $0.09 on November 7, 2023, the date of issuance, resulting in a loss on settlement of $120,800.

On February 8, 2024, the Company issued 1,333,333 common shares to each of Fortune Bay and Standard Uranium with a fair value of $200,000 as Consideration Shares pursuant to the respective option agreements (Note 7).

On February 8, 2024, the Company acquired NumberCo for consideration of 23,500,000 common shares of the Company valued at $2,498,101 (Note 6).

On March 5, 2024, the Company closed the first tranche of a non-brokered private placement (the "Offering") for gross proceeds of $4,537,170. In connection with the first tranche of the Offering, the Company issued (i) 12,418,468 non-flow-through units of the Company (each, an "NFT Unit") at a price of $0.15 per NFT Unit; (ii) 8,425,144 flow-through units of the Company (each, an "FT Unit") at a price of $0.175 per FT Unit; and (iii) 5,274,724 flow-through charity units (each, a "Charity Unit") at a price of $0.2275. Each NFT Unit consists of one non-flow-through common share of the Company (each, a "Share") and one-half of one share purchase warrant (a "Warrant"). Each FT Unit and Charity Unit consists of one Share, each of which will qualify as "flow-through shares" under the Income Tax Act (Canada), and one-half of one Warrant. Each Warrant entitles the holder thereof to acquire one additional common share of the Company (each, a "Warrant Share") at a price of $0.25 per Warrant Share until March 5, 2026. The Warrant Shares will be issued on a non-flow-through basis. In connection with the first tranche of the Offering, a total of $227,317 cash was paid and a total of 1,107,525 finder's warrants were issued to eligible arm's length finders with a fair value of $149,791. The fair value of finder's warrants was determined using the Black-Scholes Option Pricing Model with the following assumptions: risk free rate of 4.04%; expected life of 2 years; expected volatility of 116% and dividend yield of $Nil. The finder's warrants were issued on the same terms as the Warrants.

On March 8, 2024, the Company closed the second and final tranche of the Offering for additional gross proceeds of $1,362,830, comprised of (i) 5,693,913 NFT units and (ii) 2,907,100 FT units, under the same terms as the first tranche. A total of $126,204 cash was paid and a total of 596,430 finder's warrants were issued to eligible arm's length finders in connection with the second tranche. The finder's warrants were issued on the same terms as the Warrants and had a fair value of $64,390. The fair value of finder's warrants was determined using the Black-Scholes Option Pricing Model with the following assumptions: risk free rate of 4.03%; expected life of 2 years; expected volatility of 116% and dividend yield of $Nil.

11. OPTIONS AND WARRANTS

a) Options

During the year ended April 30, 2025, the Company recognized stock-based compensation expense of $625,450 (2024 - $Nil) relating to the vesting of options.

The Company has a stock option plan whereby a maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options. The terms of the granted options are fixed by the Board of Directors and are not to exceed ten years. The exercise price of options is determined by the Board of Directors but shall not be less than the closing price of the Company's common shares on the day preceding the day on which the options are granted, less any discount permitted by the Exchange. Options granted under the plan may vest immediately on grant, or over a period as determined by the Board of Directors or, in respect of options granted for investor relations services, as prescribed by Exchange policy.

(Expressed in Canadian Dollars)

11. OPTIONS AND WARRANTS *(continued)*

A continuity schedule of the Company's outstanding stock options for the years ended April 30, 2025 and 2024 are as follows:

	April 30, 2025		April 30, 2024	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning of year	370,500	$ 3.08	473,000	$ 3.04
Granted	7,800,000	0.13	-	-
Expired	-	-	(20,000)	3.00
Cancelled	-	-	(82,500)	2.87
Outstanding, end of year	**8,170,500**	**$ 0.26**	**370,500**	**$ 3.08**

During the year ended April 30, 2024, the 102,500 options that expired or were cancelled had a fair value of $166,165 and were reclassified to deficit.

The Black-Scholes Option Pricing Model inputs for option granted during the year ended April 30, 2025, are as follows:

Grant Date	Expiry Date	Exercise Price	Risk-Free Interest Rate	Expected Life	Volatility Factor	Dividend Yield	Fair Value
May 4, 2024	May 4, 2029	$0.15	3.67%	5 years	93%	0	$0.10
January 2, 2025	January 2, 2030	$0.07	2.96%	5 years	157%	0	$0.05

At April 30, 2025, the Company had outstanding stock options exercisable to acquire common shares of the Company as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price	Remaining contractual life (in years)
December 29, 2025	234,500	234,500	$ 4.00	0.67
January 26, 2027	116,000	116,000	$ 1.65	1.74
April 26, 2028	20,000	20,000	$ 0.50	2.99
May 4, 2029	5,600,000	4,200,000	$ 0.15	4.01
January 2, 2030	2,200,000	550,000	$ 0.07	4.68
	8,170,500	**5,120,500**	**$ 0.26**	**4.06**

b) Warrants

A continuity schedule of the Company's outstanding warrants for the years ended April 30, 2025 and 2024 is as follows:

	April 30, 2025		April 30, 2024	
	Warrants outstanding	Weighted average exercise price	Warrants outstanding	Weighted average exercise price
Outstanding, beginning of year	**24,042,275**	**$ 0.58**	**4,978,652**	**$ 1.82**
Granted	12,889,395	0.11	19,063,624	0.25
Expired	(4,978,652)	1.82	-	-
Outstanding, end of year	**31,953,018**	**$ 0.19**	**24,042,276**	**$ 0.58**

(Expressed in Canadian Dollars)

11. OPTIONS AND WARRANTS *(continued)*

At April 30, 2025, the Company had outstanding warrants exercisable to acquire common shares of the Company as follows:

Expiry date	Warrants outstanding	Warrants exercisable	Exercise price	Remaining contractual life (in years)
March 4, 2026	14,166,687	14,166,688	$ 0.25	0.84
March 8, 2026	4,896,936	4,896,936	$ 0.25	0.85
November 14, 2026	12,889,395	12,889,395	$ 0.11	1.54
	31,953,018	31,953,019	$ 0.19	1.15

12. INCOME TAXES

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	April 30, 2025	April 30, 2024
Net loss for the year	**$ (8,736,537)**	$ (862,279)
Canadian federal and provincial statutory income tax rate	**25-27.00%**	25-27.00%
Income tax benefit based on Canadian statutory income tax rates	**(2,218,222)**	(232,815)
Effects of the following:		
Impact of flow-through shares	**493,000**	98,000
Permanent differences	**169,000**	23,000
Other	**319,440**	1,156,353
Share issuance costs	**(28,000)**	(102,000)
Change in valuation allowance	**1,264,782**	(942,538)
Income tax benefit	**$ -**	$ -

At April 30, 2025 and 2024, the Company had deductible temporary differences and unused tax losses for which no deferred tax assets have been recognized as follows:

	April 30, 2025	April 30, 2024
Non-capital loss carry-forwards	**$ 6,682,165**	$ 5,930,083
Deductible temporary differences relating to:		
Exploration and evaluation assets, property and equipment	**(705,781)**	(1,276,567)
Share issue cost	**121,711**	179,797
Reclamation bond	**12,418**	12,418
Investment tax credit	**3,730**	3,730
	6,114,243	4,849,461
Valuation allowance	**(6,114,243)**	(4,849,461)
	$ -	$ -

(Expressed in Canadian Dollars)

12. INCOME TAXES *(continued)*

The non-capital losses at April 30, 2025 expire as follows:

Expiry date		Amount
2026	$	114,492
2027		38,826
2028		27,672
2029		23,167
2031		1,178,697
2032		89,549
2033		379,357
2034		328,039
2035		269,348
2036		171,328
2037		702,669
2038		429,355
2039		189,943
2040		544,496
2041		895,543
2042		1,907,726
2043		1,066,850
2044		1,068,121
2045		2,248,279
No expiry		14,035,138
	$	25,708,595

13. RELATED PARTY TRANSACTIONS

The Company's related parties consist of its key management personnel, including its directors and officers. During the normal course of business, the Company enters into transactions with its related parties that are considered to be made at normal market prices and on normal commercial terms.

(a) Key management compensation included in management fees for the years ended April 30, 2025 and 2024 were as follows:

		April 30, 2025		April 30, 2024
Legal fees	$	9,871	$	62,243
Management fees	$	249,500	$	169,000
Total	$	259,371	$	231,243

(b) During the year ended April 30, 2025, the Company incurred stock-based compensation expense of $379,333 (2024 - $Nil) related to stock options granted to officers and directors of the Company.

(c) At April 30, 2025, the Company had $25,854 (April 30, 2024 - $Nil) owing to related parties. These amounts are non-interest bearing and have no fixed term of repayment (Note 8).

14. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to continue its business and maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company's capital includes the components of its shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets, or adjust the amount of cash. In order to preserve cash, the Company does not pay any dividends.

The Company is not subject to any externally imposed capital requirements. The Company did not change its capital management approach during the year ended April 30, 2025.

(Expressed in Canadian Dollars)

15. FINANCIAL INSTRUMENTS

a) Categories of financial instruments and fair value measurements

The Company's financial assets and liabilities are classified as follows:

	April 30, 2025	April 30, 2024
Financial assets:		
Fair value through profit and loss		
Cash	$ 429,421	$ 3,749,613
Marketable securities	$ 420,001	$ 214,283
Amortized cost		
Receivables	$ 87,278	$ 88,030
Financial liabilities:		
Amortized cost		
Accounts payable	$ 424,724	$ 108,023

The amount of accounts payable includes amounts due to related parties (Note 13).

The fair values of the Company's cash, marketable securities, receivables and accounts payable approximate their carrying amounts due to the short-term nature of these instruments.

IFRS 7 *Financial Instruments: Disclosures* establishes a fair value hierarchy that reflects the significance of inputs used in measuring fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At April 30, 2025 and April 30, 2024, the Company had no financial assets measured and recognized on the consolidated statement of financial position at fair value belonging in Level 2 or Level 3 of the fair value hierarchy.

Cash and marketable securities are measured using level 1 inputs.

b) Management of financial risks

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At April 30, 2025, the Company was exposed to credit risk on its cash.

The Company's cash are held with a high credit quality financial institution in Canada and as at April 30, 2025, management considers its exposure to credit risk to be low.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At April 30, 2025, the Company had cash of $429,421 (April 30, 2024 - $3,749,613) and accounts payable and accrued liabilities of $452,126 (April 30, 2024 - $125,842) with contractual maturities of less than one year. The Company assessed its liquidity risk as high as at April 30, 2025.

15. FINANCIAL INSTRUMENTS *(continued)*

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at April 30, 2025.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at April 30, 2025, the Company is exposed to foreign currency risk, as it has cash, accounts payables and accrued liabilities denominated in US Dollars and Chilean Peso. Based on its volume of transactions, the Company determines its foreign currency risk is not significant. The following is the Canadian equivalent of financial assets and liabilities that are denominated in US dollars and Chilean Peso:

	April 30, 2025	April 30, 2024
Cash	$ 275	$ 159,951
Accounts payable	(187,349)	(37,878)
Net exposure	**$ (187,074)**	**$ 122,073**

16. SEGMENTED INFORMATION

The Company is organized into business units based on exploration and evaluation assets and has two reportable operating segments, being that of acquisition and exploration and evaluation activities in Chile and Canada. The Company is in the exploration stage and has no reportable segment revenues or operating results. The Company's total assets are segmented geographically as follows:

	Chile	Canada	Total
As at April 30, 2024			
Current assets	$ 159,951	$ 5,127,751	$ 5,287,702
Advances to joint venture partners	-	65,939	65,939
Exploration and evaluation assets	6,706,484	3,360,524	10,067,008
	$ 6,866,435	$ 8,554,214	$ 15,420,649
As at April 30, 2025			
Current assets	$ 275	$ 1,029,468	$ 1,029,743
Advances to joint venture partners	-	131,354	131,354
Exploration and evaluation assets	-	7,716,085	7,716,085
	$ 275	$ 8,876,907	$ 8,877,182

17. SUBSEQUENT EVENTS

Subsequent to April 30, 2025, the Company sold its shares in Universal Digital for gross proceeds of $423,273 (Note 5).

On June 20, 2025, the Company acquired 100% of the issued and outstanding common shares of Kraken Energy Corp. (“Kraken”) by way of a plan of arrangement (the “Arrangement”). Pursuant to the terms of the Arrangement, all of the issued and outstanding common shares of Kraken were exchanged for 57,922,329 common shares of the Company, on the basis of 0.97039 Company share for each Kraken share. The common shares issued had a fair value of $2,316,893 based on the opening share price of the Company on the date of acquisition. Kraken is a resource exploration company engaged in uranium exploration at its wholly-owned Apex and Huber Hills properties in the United States.

The acquisition will be accounted for as an asset acquisition, as Kraken did not meet the definition of a business under IFRS 3. The Company is in the process of determining the allocation of the consideration paid to the assets acquired and liabilities assumed.

Management Discussion and Analysis
For the Year Ended April 30, 2025

This management's discussion and analysis ("MD&A") is management's interpretation of the financial condition and results of operations of Aero Energy Limited (the "Company" or "Aero") for the year ended April 30, 2025. This MD&A should be read in conjunction with the audited financial statements of the Company for the fiscal year ended April 30, 2025, prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements, but does not form part of, the Company's financial statements.

This MD&A contains forward-looking statements. Statements regarding the adequacy of cash resources to carry out the Company's exploration programs or the need for future financing are forward-looking statements. All forward-looking statements, including those not specifically identified herein, are made subject to cautionary language included in this MD&A. Readers are advised to refer to the cautionary language when reading any forward-looking statements.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of August 27, 2025.

BUSINESS OVERVIEW

The Company was incorporated under the laws of the Canada Business Corporations Act on October 6, 2004. On October 22, 2012, the Company completed a continuation under the BC Business Corporations Act ("BCBCA"). On December 18, 2020, the Company changed its name to Angold Resources Ltd. On February 8, 2024, the Company changed its name from Angold Resources Ltd. to Aero Energy Limited. The Company is listed on the TSX Venture Exchange (the "Exchange") under the trading symbol "AERO". The Company's principal office is located at 918-1030 West Georgia Street, Vancouver, BC, V6E 2Y3.

On June 23, 2025, the Company completed its acquisition of Kraken Energy Corp. ("Kraken"), whereby the Company acquired all of the issued and outstanding common shares of Kraken (the "Transaction"). Pursuant to the terms of the Transaction, all of the issued and outstanding common shares of Kraken were exchange for an aggregate of 57,922,329 common shares of Aero, on the basis of 0.97037 Aero shares for each Kraken share (the "Exchange Ratio"). 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 as adjusted by the Exchange Ratio. The acquisition of Kraken brings their U.S. uranium assets, specifically the Apex and Huber Hills projects, into the Company's portfolio.

The Company is a junior mineral exploration company in the business of acquiring, exploring, and evaluating natural resource properties, and either developing these properties further or disposing of them when the evaluation is complete. As at the date of this MD&A, the Company is focused on advancing its flagship optioned properties – Sun Dog, Strike, and Murmac, which are located in the historic Uranium City district within Saskatchewan's Athabasca Basin, as well as the newly acquired Apex and Huber Hills uranium projects, which are located in Nevada, USA.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the future. Many factors influence the Company's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the acquisition of new projects. There is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable, or at all.

On June 26, 2023, the Company raised gross proceeds of $90,000 by way of promissory notes. The promissory notes are non-interest bearing, unsecured, and payable on demand. Of the proceeds, $30,000 was with an officer and director of the Company.

On October 13, 2023, the Company agreed to settle the loans payable of $90,000 and a further $61,000 in indebtedness owing to certain officers of the Company in consideration for services previously rendered to the Company through the issuance of 3,020,000 common shares at a deemed price of $0.05 per share. The common shares were issued on November 7, 2023.

On November 7, 2023, the Company closed a non-brokered private placement, issuing 16,880,000 common shares at a price of $0.05 for gross proceeds of $844,000. On the same date, the Company issued 3,020,000 common shares to settle outstanding indebtedness of $90,000 owed in connection with working capital loans made to the Company and a further $61,000 owing to certain officers for services previously rendered to the Company.

On March 6, 2024, the Company closed the first tranche of a non-brokered private placement (the "Offering") for gross proceeds of $4,537,170. In connection with the first tranche of the Offering, the Company issued (i) 12,418,468 non-flow-through units of the Company (each, an "NFT Unit") at a price of $0.15 per NFT Unit; (ii) 8,425,144 flow-through units of the Company (each, an "FT Unit") at a price of $0.175 per FT Unit; and (iii) 5,274,724 flow-through charity units (each, a "Charity Unit") at a price of $0.2275.

On March 8, 2024, the Company closed the second and final tranche of the Offering for additional gross proceeds of $1,362,830, comprised of (i) 5,693,913 NFT units and (ii) 2,907,100 FT units, under the same terms as the first tranche. The Company issued an aggregate of 34,719,349 units for aggregate gross proceeds of $5,900,000 between the two tranches.

On November 14, 2024, the Company closed a non-brokered private placement for gross proceeds of $2,034,219 by issuing (i) 8,964,998 non-flow-through units of the Company at a price of $0.07 per unit; (ii) 7,637,500 flow-through units of the Company at a price of $0.08 per unit; and (iii) 7,401,572 flow-through charity units at a price of $0.1075. Each unit consists of one common share of the Company and one-half of one share purchase warrant exercisable at a price of $0.11 and expiring on November 14, 2026.

On October 20, 2024, the Company issued 1,333,333 common shares and paid $200,000 to Standard Uranium Ltd. ("Standard") pursuant to the Sun Dog Option.

On December 16, 2024, 2,309,410 options with an exercise price of $1.65 expired.

On December 20, 2024, the Company issued 1,333,333 common shares and paid $200,000 to Fortune Bay Corp. ("Fortune Bay") pursuant to the Strike and Murmac Option.

On January 2, 2025, the Company granted 2,200,000 stock options with an exercise price of $0.07 and expiring on January 2, 2030.

Acquisition of 1443904 B.C. Ltd.

On February 8, 2024, the Company completed the acquisition (the "Transaction") of 1443904 B.C. Ltd. ("NumberCo") for consideration of 23,500,000 common shares of the Company. NumberCo holds options to acquire up to 70% of the Murmac Property and Strike Property, and 100% of the Sun Dog Property (collectively, the "Optioned Properties").

Sun Dog Property (the "Sun Dog Option")

The Sun Dog Option is for the right to acquire a 100% interest from Standard under the following terms:

	Cash (C$)		Consideration Shares (C$)		Exploration Expenditures (C$)	Interest Earned
Execution Date	$200,000	(paid)	$200,000	(issued)	*Nil*	
October 20, 2024	$200,000	(paid)	$200,000	(issued)	$1,500,000	
October 20, 2025	$250,000		$250,000		$2,000,000	
October 20, 2026	*Nil*		*Nil*		$3,000,000	
Total	**$650,000**		**$650,000**		**$6,500,000**	**100%**

Following exercise of the Sun Dog Option, Standard will retain a 2% net smelter returns royalty, which may be reduced to 1% for a $1,000,000 cash payment.

Strike and Murmac Properties (the "Strike and Murmac Option")

The Strike and Murmac Option is for the right to acquire up to 70% in the Strike and Murmac properties from Fortune Bay under the following terms:

	Cash (C$)		Consideration Shares (C$)		Exploration Expenditures (C$)	Interest Earned
Execution Date	$200,000	(paid)	$200,000	(issued)	*Nil*	
December 15, 2024	$200,000	(paid)	$200,000	(issued)	$1,000,000	
December 15, 2025	$250,000		$250,000		$2,000,000	
Total (First Option)	**$650,000**		**$650,000**		**$3,000,000**	**51%**
December 15, 2026	$300,000		$300,000		$3,000,000	
Total (Second Option)	**$300,000**		**$300,000**		**$3,000,000**	**60%**
December 15, 2027	$400,000		$1,200,000		*Nil*	
Total (Third Option)	**$400,000**		**$1,200,000**		***Nil***	**70%**
Grand Total	**$1,350,000**		**$2,150,000**		**$6,000,000**	

The Murmac property is subject to an existing 2% net smelter returns royalty.

After earning-in a 51%, 60% or 70% interest (whichever the case may be), the Company and Fortune Bay will form a joint venture with standard pro-rata funding requirements.

Transaction Terms

Pursuant to the terms of the Transaction, the Company has acquired all the outstanding share capital of NumberCo in consideration for the issuance of 23,500,000 common shares of the Company (the "Payment Shares") to the existing shareholders of NumberCo. The Company has also assumed the obligations of NumberCo related to the Optioned Properties, as summarized above.

The Payment Shares were issued on February 8, 2024 at a fair value of $2,498,100, based on the closing price of $0.15 on the date of issuance, less a discount for a lack of marketability due to voluntary pooling agreements. On the same date, the Company issued 1,333,333 common shares to each of Fortune Bay and Standard, at a deemed price of $0.15, as Consideration Shares pursuant to the respective option agreements, as summarized above.

Dorado and Cordillera Properties, Chile

The Lajitas and Dorado claims comprise the Dorado property and are located in the Maricunga region of Chile. The Nevada claim comprises the Cordillera property and is also located in the Maricunga region of Chile. Both the Dorado and the Cordillera Properties include a 2% net smelter royalty which may be reduced to 1% for a payment of C$2,000,000 at any time.

As of April 30, 2025, the Company decided to discontinue further exploration activities at the Chile Properties to focus on the Sun Dog and Fortune Bay projects. Accordingly, the Chile Properties were written off during the year ended April 30, 2025.

Further details on the Company's projects are provided in its news releases, available on the Company's website (www.aeroenergy.ca) and on SEDAR+ (www.sedarplus.ca).

Costs incurred with respect to the properties are summarized below:

	Sun Dog	Fortune Bay	Uchi	Chile Properties	Total
Acquisition Costs					
Balance, April 30, 2023	$ -	$ -	$ -	$ 284,875	$ 284,875
Additions	1,769,522	1,065,250	-	-	2,834,772
Balance, April 30, 2024	1,769,522	1,065,250	-	284,875	3,119,647
Additions	293,333	266,667	-	-	560,000
Impairment	-	-	-	(284,875)	(284,875)
Balance, April 30, 2025	$ 2,062,855	$ 1,331,917	$ -	$ -	$ 3,394,772
Deferred Exploration Costs	-	-	-	-	-
Balance, April 30, 2023	$ -	$ -	$ -	$ 6,237,837	$ 6,237,837
Exploration	-	-	-	1,206	1,206
Permitting and staking fees	15,207	15,207	-	82,192	112,606
Geophysics	119,690	240,759	-	-	360,449
General project costs	128,409	6,480	7,897	100,374	243,160
Impairment	-	-	(7,897)	-	(7,897)
Balance, April 30, 2024	$ 263,306	$ 262,446	$ -	$ 6,421,609	$ 6,947,361
Geophysics	439,011	124,386	-	-	563,397
General project costs	23,765	68,428	-	308,922	401,115
Drilling	1,044,378	2,095,593	-	-	3,139,971
Impairment	-	-	-	(6,730,531)	(6,730,531)
Balance, April 30, 2025	$ 1,770,460	$ 2,550,853	$ -	$ -	$ 4,321,313
Total					
Balance, April 30, 2024	$ 2,032,828	$ 1,327,696	$ -	$ 6,706,484	$ 10,067,008
Balance, April 30, 2025	$ 3,833,315	$ 3,882,770	$ -	$ -	$ 7,716,085

During the year ended April 30, 2024, the Company staked a package of mining claims in Saskatchewan which are prospective for uranium mineralization, for a cost of $30,414.

During the year ended April 30, 2024, the Company completed the acquisition of its flagship Optioned Properties – Sun Dog, Strike, and Murmac, as outlined above. The Optioned Properties are all located in proximity to the Company's existing uranium properties.

ANNUAL FINANCIAL INFORMATION

The selected financial information below is derived from the Company's audited consolidated financial statements for the years ended April 30, 2025, 2024 and 2023, prepared in accordance with IFRS. The Company's significant accounting policies and new accounting policies applied in the preparation of its consolidated financial statements are outlined in Note 3 to the Company's audited consolidated financial statements for the years ended April 30, 2025 and 2024.

	Year ended		
	April 30, 2025	April 30, 2024	April 30, 2023
Total revenue	$ -	$ -	$ -
Operating expenses	9,833,157	890,410	5,209,956
Other expenses (income)	(1,096,620)	(28,132)	-
Net loss	8,736,537	862,278	5,209,956
Total comprehensive loss	8,736,537	862,278	5,209,956
Basic and diluted loss per common share:	0.08	0.02	3.90

	As at		
	April 30, 2025	April 30, 2024	April 30, 2023
Cash	$ 429,421	$ 3,749,613	$ 125,176
Assets held for sale	-	-	218,614
Exploration and evaluation assets	7,716,085	10,067,008	6,522,712
Total assets	8,877,182	15,420,649	6,915,470
Current liabilities	535,803	705,361	180,464
Shareholders' equity	8,341,379	14,715,288	6,735,006

Refer to the "Results of operations" section below for details regarding fluctuations in operating expenses and other expenses (income).

The Company's cash balance decreased compared to the prior year, primarily due to the timing of financings and increased expenditures on exploration and evaluation assets. Prepaid expenses and deposits decreased from $1,235,775 in the prior year to $93,043 in the current year, reflecting the utilization of prepaids during the period. As of April 30, 2024, the Company had prepaid for marketing services, conferences, and drilling and related exploration services, all of which were consumed during the year ended April 30, 2025.

Exploration and evaluation assets, and accordingly total assets, decreased relative to the prior year due to the impairment of the Chile Properties in the current year, as discussed below. This decrease was partially offset by expenditures at the Sun Dog and Fortune Bay properties. The impairment of the Chile Properties is expected to have minimal impact on the Company's ongoing operations as limited expenditures have been incurred on these properties over the past two years. In addition, the Company is now primarily focused on uranium exploration.

Liabilities fluctuate from year to year, largely driven by the timing of payments. In the current year, liabilities decreased as a result of a lower deferred premium on flow-through shares, with the Company having satisfied the majority of its flow-through expenditure commitments as of April 30, 2025.

Results of operations

The Company incurred a net and comprehensive loss of $8,736,537 during the year ended April 30, 2025, an increase in loss of $7,874,259, as compared to the net and comprehensive loss of $862,278 for the year ended April 30, 2024. The increase in net loss and total comprehensive loss was primarily driven by:

- Impairment of exploration and evaluation assets of $7,015,406 during the year, compared to $7,897 in the prior year, reflecting the write-off of the Chile Properties as the Company shifted its focus to the Sun Dog and Fortune Bay projects.

- Stock-based compensation of $625,450 was recorded in the current year, compared to $Nil in the prior year. This increase reflects the granting and vesting of stock options during the period, whereas no grants occurred in the prior year.

- Increases in general and administrative expenses of $102,674, shareholder communications and investor relations costs of $980,973, consulting fees of $189,618, and management fees of $80,500 are attributable to higher overall activity in the Company. This activity resulted from financings completed in Q4 2024 and Q2 2025, as well as expanded corporate development initiatives and active exploration programs carried out during the year.

These increases were partially offset by:

- An increase in the flow-through share premium reversal, which rose to $849,776 in the current year from $112,578 in the prior year, reflecting higher eligible exploration expenditures incurred during the period.

- A change in the fair value of marketable securities, resulting in a gain of $205,717 in 2025 compared to a loss of $4,331 in 2024, driven by an increase in the fair market value of Minas relative to the prior year.

- A loss on debt settlement of $120,800 recognized in the prior year, with no comparable activity in the current year.

Previous financings and use of funds

The Company's prior private placement disclosures did not specify intended uses of the proceeds. The Company plans to apply funds raised through flow-through financings to exploration activities, with any remaining amounts allocated to property maintenance, corporate development, and general working capital, as summarized below:

		Exploration		**General Working Capital, Corporate Development and Property Maintenance**
Funds Raised on November 7, 2023	$	-	$	844,000
Funds Raised on March 6, 2024		2,674,400		1,862,770
Funds Raised on March 8, 2024		508,742		854,086
Funds Raised on November 14, 2024		1,406,669		627,550
Less funds used up to April 30, 2025		(4,222,644)		(4,126,152)
Funds Remaining	$	367,167	$	62,254

Summary of quarterly results

The following table provides a summary of financial data for the Company's most recent eight quarters derived from the Company's unaudited condensed interim financial statements prepared in accordance with IAS 34:

	Quarter ended	Revenue	Loss before other income and expenses	Total comprehensive loss	Basic and diluted income (loss) per common share
Q4/25	April 30, 2025	$ -	$ (7,463,195)	$ (6,778,953)	$ (0.06)
Q3/25	January 31, 2025	$ -	$ (698,789)	$ (572,858)	$ (0.01)
Q2/25	October 31, 2024	$ -	$ (872,860)	$ (728,229)	$ (0.01)
Q1/25	July 31, 2024	$ -	$ (798,314)	$ (656,497)	$ (0.01)
Q4/24	April 30, 2024	$ -	$ (354,974)	$ (234,499)	$ (0.01)
Q3/24	January 31, 2024	$ -	$ (190,423)	$ (939,908)	$ (0.03)
Q2/24	October 31, 2023	$ -	$ (188,584)	$ 354,652	$ 0.02
Q1/24	July 31, 2023	$ -	$ (156,429)	$ (42,523)	$ (0.00)

The primary factors affecting the magnitude and variations of the Company's losses are as follows:

- During Q4 2025: The Company recorded wrote off its Chile Properties, resulting in an impairment of $7,015,406.
- Q1 and Q2 2025: The Company began active exploration work on its properties resulting in an overall increase in activity compared to the comparative periods.
- Q4 2024: The Company incurred professional fees in relation to the acquisition of NumberCo.
- Q3 2024: The Company recognized a loss on marketable securities of $628,685 on its shares in Minas Metals Ltd., as well as a loss on debt settlement of $120,800, driving the increased net and comprehensive loss in the quarter.
- Q2 2024: The Company recognized a gain on marketable securities of $543,236 driven by the shares held in Minas Metals Ltd., driving the net and comprehensive income for the quarter.

LIQUIDITY AND CAPITAL RESOURCES

The Company's financial statements for the fiscal year ended April 30, 2025 have been prepared on a going concern basis, which assumes that the Company will continue in operation in the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. At April 30, 2025, the Company had cash of $429,421 (April 30, 2024: $3,749,613) and its current assets exceeded its current liabilities by $493,940 (April 30, 2024: $4,582,341). The Company currently has no active business and is not generating any revenues. It has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of $30,704,291 as at April 30, 2025 (April 30, 2024: $21,967,754).

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future. The consolidated financial statements for the year ended April 30, 2025 do not give effect to the required adjustments to the carrying amounts and classification of assets and liabilities should the Company be unable to continue as a going concern.

Cash flows

Cash used in operating activities for the year ended April 30, 2025 was $774,911 compared to $2,132,586 for the year ended April 30, 2024. The lower outflow was mainly due to non-cash items such as the impairment of exploration assets and stock-based compensation, as well as positive changes in working capital, partially offset by a flow-through premium reversal.

Cash used in investing activities for the year ended April 30, 2025 was $4,476,393 compared to $697,733 in the comparative period, primarily due to increased spending on exploration and an advance to JV partners.

Cash provided by financing activities for the year ended April 30, 2025 was $1,931,112 compared to proceeds from the issuance of shares in the comparative period of $6,454,756.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties consist of its key management personnel and close family members of its key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and consist of its directors, the Chief Executive Officer and the Chief Financial Officer.

During the year ended April 30, 2025 the Company incurred key management compensation as follows:

- $170,000 (2024 - $135,000) for CEO consulting services provided by 101252098 Saskatchewan Ltd., a company wholly owned by the Company's CEO, Galen McNamara.
- $72,000 (2024 - $Nil) for CFO consulting services provided by 1950 Consulting Ltd., a company wholly owned by the Company's former CFO, Martin Bajic.
- $7,500 (2024 - $24,000) for CFO consulting services provided by Carson Halliday.

In addition, the Company incurred legal fees of $9,871 (2024 - $62,243) provided by LYC Abogados SPA, a law firm at which a director of the Company, Rony Zimerman, is a partner.

As at April 30, 2025, there was $25,854 owing to related parties in respect of services provided to the Company and $Nil owing in respect of expenses incurred on behalf of the Company.

During the year ended April 30, 2025, the Company incurred stock-based compensation expenses to related parties of $379,333 (2024 - $Nil).

FOURTH QUARTER

	April 30, 2025	April 30, 2024	Change
Management fees	$ 48,000	$ 56,500	$ (8,500)
General and administrative	2,902	30,043	(27,141)
Professional fees	75,703	30,520	45,183
Consulting fees	24,660	76,523	(51,863)
Shareholder information and investor relations	179,940	128,613	51,327
Transfer agent, regulatory and listing fees	10,600	32,322	(21,722)
Foreign exchange	23,095	(7,444)	30,539
Stock-based compensation	82,888	-	82,888
Impairment of exploration and evaluation assets	7,015,406	-	7,015,406
Other items	(684,241)	(112,578)	(571,663)
Net loss	**$ 6,778,953**	**$ 234,499**	**$ 6,544,454**

The Company incurred a net loss and total comprehensive loss of $6,778,953 during the three months ended April 30, 2025, compared to a loss of $234,499 for the same period in 2024, representing an increase of $6,544,454. The increase was primarily driven by:

- The impairment charge of $7,015,406 related to the Chile properties,
- Stock-based compensation of $82,888, due the vesting of option grants in the current year.
- Higher professional fees and increased investor relations activities, for reasons outlined above.

For further details, refer to the discussion under "Results of operations" and "Summary of quarterly results".

CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical judgments and estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements for the year ended April 30, 2025 are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Impairment of long-lived assets

The Company evaluates each long-term asset each reporting period to determine if there are any indications of impairment. If any such indications exist, an estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The estimates and assumptions used to estimate the recoverable amount of the long-lived assets are subject to risk and uncertainty and there is the possibility that changes in circumstances will alter these estimates and assumptions.

Determination of functional currency

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the respective entity operates; the Company has determined the functional currency of Aero Energy Limited and its subsidiaries to be the Canadian dollar. Such determination involves certain judgments to identify the primary economic environment. The Company reconsiders the functional currency of its subsidiaries if there is a change in events and/or conditions which determine the primary economic environment.

Income taxes

The Company recognizes deferred tax assets for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and other income tax deductions can be utilized. In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

As at April 30, 2025 and April 30, 2024, the Company has not recognized any deferred tax assets for deductible temporary differences. Changes in any of the above-mentioned estimates can materially affect the amount of income tax assets recognized. In addition, where applicable tax laws and regulations are either unclear or subject to varying interpretations, changes in these estimates can occur that materially affect the amounts of income tax assets recognized. The Company reassesses unrecognized income tax assets at the end of each reporting period.

NEW ACCOUNTING STANDARDS AND ACCOUNTING STANDARDS NOT YET EFFECTIVE

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes.

IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the year ended April 30, 2025.

FINANCIAL INSTRUMENTS AND RELATED RISKS

Classifications

The Company's financial assets and liabilities are classified as follows:

	April 30, 2025	April 30, 2024
Financial assets:		
Fair value through profit and loss		
Cash	$ 429,421	$ 3,749,613
Marketable securities	$ 420,001	$ 214,283
Amortized cost		
Receivables	$ 87,278	$ 88,031
Financial liabilities:		
Amortized cost		
Accounts payable	$ 452,126	$ 125,842

Accounts payable includes amounts due to related parties.

The fair values of the Company's cash, marketable securities, receivables, and accounts payable approximate their carrying amounts due to the short-term nature of these instruments.

Financial instrument risk exposure

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At April 30, 2025, the Company was exposed to credit risk on its cash.

The Company's cash is held with a high credit quality financial institution in Canada and as at April 30, 2025, management considers its exposure to credit risk to be low.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At April 30, 2025, the Company had cash of $429,421 (April 30, 2024 - $3,749,613) and accounts payable and accrued liabilities of $452,126 (April 30, 2023 - $125,842) with contractual maturities of less than one year. The Company assessed its liquidity risk as high as at April 30, 2025.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at April 30, 2025.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at April 30, 2025, the Company is exposed to foreign currency risk, as it has cash, accounts payables and accrued liabilities denominated in US Dollars and Chilean Peso. Based on its volume of transactions, the Company determines its foreign currency risk is not significant.

OUTSTANDING SHARE CAPITAL DATA

At the date of this MD&A, the Company has 179,849,606 common shares, 34,821,496 warrants and 9,989,942 stock options outstanding.

The Company has authorized an unlimited number of common shares without par value.

RISKS AND UNCERTAINTIES

The Company's business remains mineral property acquisition, exploration and development business and as a result it may be exposed to a number of operational, financial, regulatory and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company's business, results of operations, and financial performance in future periods. Refer to the Company's Filing Statement dated December 18, 2020 for a list of further risk factors impacting the Company.

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the BCBCA dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of Aero are required to act honestly, in good faith, and in the best interest of Aero.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements" and "forward-looking information" within the meaning of Canadian securities legislation. All statements included in this MD&A, other than statements of historical fact, are forward-looking statements. When used in this MD&A, words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict", "foresee" and other similar terminology, or sentences/statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance.

These statements reflect the Company's current expectations regarding future events, performance and results, and are accurate only at the time of this MD&A and may be superseded by more current information. Forward-looking statements also involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company or its mineral projects to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information.

In making such statements, the Company has made assumptions regarding, among other things: general business and economic conditions; the availability of additional; the supply and demand for, inventories of, and the level and volatility of the prices of metals; the timing and receipt of governmental permits and approvals; changes in regulations; political factors; the accuracy of the Company's interpretation of the geology of the Company's properties and prospective properties; the availability of equipment, skilled labour and services needed for the exploration of mineral properties; and currency fluctuations.

Although the forward-looking statements or information contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. They should not be read as guarantees of future performance or results. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to: the factors discussed below and under "Risks and Uncertainties"; unanticipated changes in general business and economic conditions or conditions in the financial markets; fluctuations in the price of metals; stock market volatility; the availability of exploration capital and financing generally; changes in national and local government legislation; changes to taxation; changes in interest or currency exchange rates; loss of key personnel; inaccurate geological assumptions; competition; unavailability of materials and equipment; government action or delays in the receipt of permits or government approvals; and unanticipated events related to health, safety and environmental matters, including the impact of epidemics.

Forward-looking information is designed to help readers understand management's current views of the Company's near and longer-term prospects, and it may not be appropriate for other purposes. The Company will not update any forward-looking statements or forward-looking information unless required by applicable securities laws.

EXHIBIT "B"

AERO INTERIM FINANCIAL STATEMENTS
AND
AERO INTERIM MD&A

(See attached)

AERO ENERGY LIMITED

Condensed Consolidated Interim Financial Statements
For the six months ended October 31, 2025 and 2024
(Expressed in Canadian Dollars - Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed consolidated interim financial statements by the entity's auditor.

AERO ENERGY LIMITED
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars)
As at

		(unaudited) October 31, 2025		April 30, 2025
ASSETS				
Current assets				
Cash	**$**	**102,267**	$	429,421
Marketable securities (Note 3)		**-**		420,001
Receivables		**131,596**		87,278
Prepaid expenses and deposits		**45,588**		93,043
		279,451		1,029,743
Advances to joint venture partners (Note 5)		**15,604**		131,354
Exploration and evaluation assets (Note 5)		**6,606,850**		7,716,085
TOTAL ASSETS	**$**	**6,901,905**	$	8,877,182
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (Notes 6 and 10)	**$**	**348,470**	$	452,126
Deferred premium on flow-through shares (Note 7)		**-**		83,677
TOTAL LIABILITIES		**348,470**		535,803
SHAREHOLDERS' EQUITY				
Share capital (Note 8)		**39,419,905**		37,103,012
Reserve (Note 9)		**1,996,235**		1,942,658
Accumulated deficit		**(34,862,705)**		(30,704,291)
TOTAL SHAREHOLDERS' EQUITY		**6,553,435**		8,341,379
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**6,901,905**	$	8,877,182

Nature of operations and going concern (Note 1)
Subsequent events (Note 14)

These financial statements were authorized for issue by the Board of Directors on December 24, 2025. They are signed on behalf of the Board of Directors by:

"Galen McNamara"
Director

"Brandon Bonifacio"
Director

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

AERO ENERGY LIMITED
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars - unaudited)

	For the Three Months Ended		For the Six Months Ended	
	October 31, 2025	October 31, 2024	**October 31, 2025**	October 31, 2024
EXPENSES				
Management fees (Note 10)	**$ 45,000**	$ 68,000	**$ 92,000**	$ 153,500
General and administrative fees	**52,345**	47,130	**96,290**	82,651
Professional fees	**88,892**	19,938	**151,419**	30,477
Consulting fees	**-**	143,233	**7,500**	267,983
Shareholder information and investor relations	**420**	414,799	**66,193**	658,913
Transfer agent, regulatory and listing fees	**10,909**	6,758	**50,395**	16,373
Foreign exchange gain	**(20,267)**	1,896	**(38,189)**	5,389
Stock-based compensation (Note 9)	**10,856**	160,122	**25,260**	444,904
	188,155	861,876	**450,868**	1,660,190
OTHER ITEMS				
Impairment of exploration and evaluation asset (Note 5)	**3,794,495**	-	**3,794,495**	-
Recovery of management fees	**-**	-	**-**	-
Gain on marketable securities (Note 3)	**-**	100,000	**(3,272)**	164,283
Flow-through share premium reversal (Note 7)	**(78,758)**	(244,631)	**(83,677)**	(450,731)
NET AND COMPREHENSIVE LOSS FOR THE PERIOD	**$ 3,903,892**	$ 717,245	**$ 4,158,414**	$ 1,373,742
Basic and diluted loss per post-consolidation share (Note 14)	**$ 0.22**	$ 0.08	**$ 0.25**	$ 0.14
Weighted average number of post-consolidation common shares outstanding (Note 14)	**17,984,959**	9,545,944	**16,410,983**	9,535,799

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

AERO ENERGY LIMITED
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars - unaudited)

	For the Six Months Ended	
	October 31, 2025	October 31, 2024
Cash flows provided by (used in):		
OPERATING ACTIVITIES		
Net loss for the period	**$ (4,158,414)**	$ (1,373,742)
Adjustments for items not affecting cash:		
Stock-based compensation	**25,260**	444,904
Change in fair value of marketable securities	**(3,272)**	164,283
Flow-through share premium reversal	**(83,677)**	(450,731)
Impairment of exploration and evaluation asset	**3,794,495**	-
Net changes in non-cash working capital items:		
Receivables and prepaid expenses	**35,956**	611,566
Accounts payable and accrued liabilities	**(228,812)**	114,325
Net cash flows used in operating activities	**(618,464)**	(489,395)
INVESTING ACTIVITIES		
Exploration and evaluation expenditures	**(392,793)**	(2,736,747)
Advances to joint venture partners	**115,750**	-
Proceeds from TMEI refund (Note 5)	**100,000**	-
Cash acquired on acquisition of Kraken Energy Corp. (Note 4)	**45,080**	-
Proceeds from sale of marketable securities (Note 3)	**423,273**	-
Net cash flows provided by (used in) investing activities	**291,310**	(2,736,747)
Net decrease in cash	**(327,154)**	(3,226,142)
Cash, beginning of period	**429,421**	3,749,613
Cash, end of period	**$ 102,267**	$ 523,471
Supplemental cash flow information:		
Non-cash share issuance for acquisition of Kraken Energy Corp.	**$ 2,316,893**	$ -
Exploration and evaluation assets included in accounts payable and accrued liabilities	**$ 81,303**	$ -

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

AERO ENERGY LIMITED
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars - unaudited)

	Number of shares[1]	Share capital	Reserve	Accumulated deficit	Total
Balance at April 30, 2024	**9,525,654**	**$ 35,411,106**	**$ 1,271,936**	**$ (21,967,754)**	**$ 14,715,288**
Shares issued for exploration and evaluation assets	133,333	200,000	-	-	200,000
Stock-based compensation (Note 9)	-	-	444,904	-	444,904
Net loss for the period	-	-	-	(1,373,742)	(1,373,742)
Balance at October 31, 2024	**9,658,987**	**$ 35,611,106**	**$ 1,716,840**	**$ (23,341,496)**	**$ 13,986,450**
Balance at April 30, 2025	**12,192,727**	**$ 37,103,012**	**$ 1,942,658**	**$ (30,704,291)**	**$ 8,341,379**
Common shares issued for acquisition of Kraken Energy Corp. (Notes 4 and 8)	5,792,232	2,316,893	28,317	-	2,345,210
Stock-based compensation (Note 9)	-	-	25,260	-	25,260
Net loss for the period	-	-	-	(4,158,414)	(4,158,414)
Balance at October 31, 2025	**17,984,959**	**$ 39,419,905**	**$ 1,996,235**	**$ (34,862,705)**	**$ 6,553,435**

[1] – On December 23, 2025, the Company completed a share consolidation of its outstanding common shares on the basis of one post-consolidation common share for every ten pre-consolidation common shares. All share and per-share figures have been adjusted to reflect this consolidation (Note 14).

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Aero Energy Limited. (the "Company" or "Aero") was incorporated under the Canada Business Corporations Act on October 6, 2004. On October 22, 2012, the Company completed a continuation under the BC Business Corporations Act. The Company's registered office is located at Suite 2200 – 855 West Georgia Street, Vancouver, BC, V6C 3E8. The Company is listed on the TSX Venture Exchange (the "Exchange") and trades under the symbol "AERO" and on the OTC Pink under the symbol "AAUGF".

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. At October 31, 2025, the Company had cash of $102,267 (April 30, 2025 - $429,421) and its current liabilities exceed its current assets by $69,019 (April 30, 2025 – working capital of $493,940). The Company is an exploration stage company in the business of acquiring, exploring, and evaluating natural resource properties. The Company has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of $34,862,705 as at October 31, 2025 (April 30, 2025 - $30,704,291). Whether and when the Company can achieve profitability and positive cash flows from operations is uncertain. These uncertainties may cast significant doubt on the ability of the Company to continue as a going concern.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future. These condensed consolidated interim financial statements do not give effect to the required adjustments to the carrying amounts and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed, and therefore these condensed consolidated interim financial statements should be read in conjunction with the Company's April 30, 2025 audited annual consolidated financial statements and the notes to such financial statements.

Basis of Preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss ("FVTPL"), which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The significant accounting policies, as disclosed, have been applied consistently to all periods presented in these condensed consolidated interim financial statements.

Basis of Consolidation

These condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries Federal Gold Corp. ("Federal"), TY & Sons Explorations (Chile) Inc., Rio Explorations SpA, Angold Resources (USA) Ltd, 1443904 B.C. Ltd., Kraken Energy Corp., Kraken Energy (Nevada) Corp., Panerai Capital Corp., and Panerai Capital (USA) Corp. Subsidiaries are entities controlled by the Company, where control is achieved by the Company being exposed to, or having rights to, variable returns from its involvement with the entity and having the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases.

All inter-company transactions, balances, income and expenses are eliminated on consolidation.

Presentation and functional currency

The presentation and functional currency of the Company and its subsidiaries is the Canadian dollar. All amounts in these condensed consolidated interim financial statements are expressed in Canadian dollars, unless otherwise indicated.

2. BASIS OF PREPARATION (continued)

Material accounting judgments

The preparation of condensed consolidated interim financial statements in accordance with IFRS requires management to make certain critical accounting estimates and assumptions about the future. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. The impacts of changes to estimates are recognized in the period estimates are revised and in future periods affected. The key assumptions management has made about the future and other major sources of estimation uncertainty at the date of the statement of financial position that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Impairment of long-lived assets

The carrying value and the recoverability of long-lived assets, including exploration and evaluation assets, are evaluated at each reporting date. Management assesses for indicators of impairment, which includes assessing whether facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

Determination of functional currency

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the respective entity operates; the Company has determined the functional currency of Aero Energy Limited (formerly Angold Resources Ltd.) and its subsidiaries to be the Canadian dollar. Such determination involves certain judgments to identify the primary economic environment. The Company reconsiders the functional currency of its subsidiaries if there is a change in events and/or conditions which determine the primary economic environment.

Business combination versus asset acquisition

Management applied judgement to determine whether the assets acquired and liabilities assumed on acquisition of Kraken (Note 4) constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. During the period ended October 31, 2025, the Company completed the acquisition of Kraken and concluded that the transactions did not qualify as a business combination under IFRS 3, "Business Combinations".

Key sources of estimation uncertainty

The key assumptions management has made about the future and other major sources of estimation uncertainty at the date of the condensed consolidated interim statement of financial position that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Income taxes

The Company recognizes deferred tax assets for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and other income tax deductions can be utilized. In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

As at October 31, 2025 and April 30, 2025, the Company has not recognized any deferred tax assets for deductible temporary differences. Changes in any of the above-mentioned estimates can materially affect the amount of income tax assets recognized. In addition, where applicable tax laws and regulations are either unclear or subject to varying interpretations, changes in these estimates can occur that materially affect the amounts of income tax assets recognized. The Company reassesses unrecognized income tax assets at the end of each reporting period.

(Expressed in Canadian Dollars - unaudited)

2. BASIS OF PREPARATION (continued)

New accounting pronouncements

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. Management is currently assessing the effect of this new standard on the financial statements.

3. MARKETABLE SECURITIES

On May 18, 2023, the Company received 10,000,000 shares in Minas Metals Ltd. ("Minas Metals") as consideration for the Iron Butte and Hope Butte properties.

On December 27, 2024, Minas Metals completed a share consolidation on the basis of 10:1, resulting in the Company holding 1,000,000 post consolidation shares. On May 5, 2025 Minas Metals changed its name to Universal Digital Inc ("Universal Digital").

During the six months ended October 31, 2025, the Company sold all of its shares in Universal Digital for gross proceeds of $423,273.

	October 31, 2025	April 30, 2025
Fair value, beginning of period	$ 420,001	$ 214,283
Disposals	(423,273)	-
Change in fair value	3,272	205,718
Fair value, end of period	$ -	$ 420,001

4. ACQUISITION OF KRAKEN ENERGY CORP.

On June 20, 2025, the Company acquired 100% of the issued and outstanding common shares of Kraken Energy Corp. ("Kraken"), a resource exploration company engaged in uranium exploration at its wholly-owned Apex and Huber Hills properties, by way of a plan of arrangement (the "Arrangement"). Pursuant to the terms of the Arrangement, all of the issued and outstanding common shares of Kraken were exchanged for 5,792,232 common shares of the Company, on the basis of 0.97037 Aero share for each Kraken share (the "Exchange Ratio"). The Aero common shares issued had a fair value of $2,316,893 based on the share price of the Company on the date of acquisition. The fair value was determined using a level 1 input on June 20, 2025, the date of issuance. In addition, all outstanding stock options of Kraken were exchanged for stock options of Aero (the "Replacement Options") and all outstanding warrants of Kraken became exercisable to acquire Aero common shares (the "Replacement Warrants") in amounts and at exercise prices adjusted pursuant to the Exchange Ratio.

The Company accounted for the acquisition of Kraken as an asset acquisition as it did not meet the definition of a business under IFRS 3, "Business Combinations". As a result, the transaction has been measured at the fair value of the equity consideration paid as determined based on IFRS 2, "Share Based Payments". The following table summarizes the total consideration, the fair value of the acquired identifiable assets and liabilities assumed as of the date of the acquisition:

(Expressed in Canadian Dollars - unaudited)

4. ACQUISITION OF KRAKEN ENERGY CORP. (continued)

Fair value of common shares issued (Note 8)	$	2,316,893
Fair value of replacement options (Note 9)		8,565
Fair value of replacement warrants (Note 9)		19,752
Total consideration	$	2,345,210
Assets acquired:		
Cash	$	45,080
Receivables		9,652
Prepaid expenses		23,167
Exploration and evaluation asset – Apex (Note 5)		2,329,135
Current liabilities assumed		(61,824)
Net assets acquired	$	2,345,210

The excess of purchase consideration over the net assets acquired was allocated to the Apex project based on the Company's assessment of relative fair value.

5. EXPLORATION AND EVALUATION ASSETS

	Sun Dog	Fortune Bay	Apex	Huber Hills	Chile Properties	Total
Acquisition Costs						
Balance, April 30, 2024	$ 1,769,522	$ 1,065,250	$ -	$ -	$ 284,875	$ 3,119,647
Additions	293,333	266,667	-	-	-	560,000
Impairment	-	-	-	-	(284,875)	(284,875)
Balance, April 30, 2025	2,062,855	1,331,917	-	-	-	3,394,772
Acquired from Kraken (Note 4)	-	-	2,329,135	-	-	2,329,135
Impairment	(2,062,855)	-	-	-	-	(2,062,855)
Balance, October 31, 2025	$ -	$ 1,331,917	$ 2,329,135	$ -	$ -	$ 3,661,052
Deferred Exploration Costs						
Balance, April 30, 2024	$ 263,306	$ 262,446	$ -	$ -	$ 6,421,609	$ 6,947,361
Geophysics	439,011	124,386	-	-	-	563,397
General project costs	23,765	68,428	-	-	308,922	401,115
Drilling	1,044,378	2,095,593	-	-	-	3,139,971
Impairment	-	-	-	-	(6,730,531)	(6,730,531)
Balance, April 30, 2025	1,770,460	2,550,853	-	-	-	4,321,313
Drilling	-	233,265	-	-	-	233,265
Permitting	-	-	106,986	-	-	106,986
General project costs	11,180	92,229	-	12,465	-	115,874
TMEI refund	(50,000)	(50,000)	-	-	-	(100,000)
Impairment	(1,731,640)	-	-	-	-	(1,731,640)
Balance, October 31, 2025	$ -	$ 2,826,347	$ 106,986	$ 12,465	$ -	$ 2,945,798
Total						
Balance, April 30, 2025	$ 3,833,315	$ 3,882,770	$ -	$ -	$ -	$ 7,716,085
Balance, October 31, 2025	$ -	$ 4,158,264	$ 2,436,121	$ 12,465	$ -	$ 6,606,850

Fortune Bay Properties

On December 15, 2023, the Company signed a definitive option agreement with 7153945 Canada Inc. and Fortune Bay Corp. ("Fortune Bay") whereby the Company has the option to acquire up to a 70% interest in the properties, which includes the Murmac Property, the Strike Property, and any additional mineral rights acquired pursuant to the agreement (the "Properties").

(Expressed in Canadian Dollars - unaudited)

5. EXPLORATION AND EVALUATION ASSETS (continued)

The phased requirements for the Company to earn up to a 70% interest are as follows:

	Cash (C$)		Consideration Shares (C$)		Exploration Expenditures (C$)	Interest Earned
Execution Date	$200,000[1]	(paid)	$200,000	(issued)	*Nil*	
December 15, 2024	$200,000	(paid)	$200,000	(issued)	$1,000,000	
December 15, 2025	$250,000		$250,000		$2,000,000	
Total (First Option)	**$650,000**		**$650,000**		**$3,000,000**	**51%**
December 15, 2026	$300,000		$300,000		$3,000,000	
Total (Second Option)	**$300,000**		**$300,000**		**$3,000,000**	**60%**
December 15, 2027	$400,000		$1,200,000		*Nil*	
Total (Third Option)	**$400,000**		**$1,200,000**		***Nil***	**70%**
Grand Total	**$1,350,000**		**$2,150,000**		**$6,000,000**	

(1) Paid by NumberCo prior to the Transaction.

On December 11, 2025, the Company amended the terms of the option agreement with Fortune Bay to extend the deadline to incur the required exploration expenditures from December 15, 2025 to March 15, 2026. The cash payment was made and consideration shares were issued subsequent to October 31, 2025 (Note 14).

After earning-in a 51%, 60% or 70% interest (whichever the case may be), the Company and Fortune Bay will form a joint venture with standard pro-rata funding requirements.

Pursuant to the option agreement, Fortune Bay will act as the operator of the work programs, which are to be funded by the Company. As of October 31, 2025, the Company had advanced $15,604 (April 30, 2025 - $98,869) to Fortune Bay to be spent on exploration expenditures, which had not yet been incurred.

The Murmac property is subject to an existing 2% net smelter returns (“NSR”) royalty.

During the six months ended October 31, 2025, the Company received a $50,000 refund pursuant to the government of Saskatchewan’s TMEI program for expenditures incurred on the Fortune Bay properties (April 30, 2025 - $Nil).

Apex Property

On June 20, 2025, the Company acquired the Apex Property in connection with its acquisition of Kraken (Note 4). The Apex Property remains subject to a 3% net smelter return (“NSR”) royalty in favour of the original property vendors.

Huber Hills Property

On June 20, 2025, the Company acquired the Huber Hills Property in connection with its acquisition of Kraken (Note 4). The Company did not allocate any consideration to the Huber Hills Property. The Huber Hills Property is located in Elko County, Nevada.

Sun Dog Property

On October 20, 2023, the Company signed a definitive option agreement with Standard Uranium Ltd. (“Standard Uranium”), whereby the Company has the option to acquire 100% of the Sun Dog property by completing the following requirements:

	Cash (C$)		Consideration Shares (C$)		Exploration Expenditures (C$)	Interest Earned
Execution Date	$200,000[1]	(paid)	$200,000	(issued)	*Nil*	
October 20, 2024	$200,000	(paid)	$200,000	(issued)	$1,500,000	
October 20, 2025	$250,000		$250,000		$2,000,000	
October 20, 2026	*Nil*		*Nil*		$3,000,000	
Total	**$650,000**		**$650,000**		**$6,500,000**	**100%**

(1) Paid by NumberCo prior to the Transaction.

(Expressed in Canadian Dollars - unaudited)

5. EXPLORATION AND EVALUATION ASSETS (continued)

During the six months ended October 31, 2025, the Company received a $50,000 refund pursuant to the government of Saskatchewan's Targeted Mineral Exploration Incentive ("TMEI") program for expenditures incurred on the Sun Dog property (April 30, 2025 - $Nil).

Subsequent to October 31, 2025, the Company determined to relinquish its option agreement in respect of the Sun Dog Project, to concentrate its efforts on its highest-priority uranium exploration projects. Accordingly, the Sun Dog Project was written off during the three-months ended October 31, 2025, resulting in an impairment expense of $3,794,495. As of October 31, 2025, the Company had advanced $70,833 to Standard Uranium which was to be reimbursed to the Company upon relinquishing the option agreement and accordingly was recorded in accounts receivable as of October 31, 2025.

Chile Properties

The Lajitas and Dorado claims comprise the Dorado property and is located in the Maricunga region of Chile. The Nevada claim comprises the Cordillera property and is also located in the Maricunga region of Chile. The Company has a 100% interest in the Dorado and the Cordillera Properties that include a 2% NSR royalty which may be reduced to 1% for a payment of $2,000,000 at any time. During the year ended April 30, 2025, the Company determined it was not going to proceed with further exploration work at the Chile Properties, to focus its efforts on the Sun Dog and Fortune Bay properties, and accordingly, the Chile Properties were written off.

Subsequent to October 31, 2025, the Company entered into a purchase and sale agreement with Batik Resources Ltd. to sell 100% of Rio Explorations SpA which directly holds the Dorado and Cordillera Properties (Note 14).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

At October 31, 2025 and April 30, 2025, the Company's accounts payable and accrued liabilities are composed of the following:

		October 31, 2025		April 30, 2025
Accounts payable (Note 10)	$	335,687	$	424,724
Accrued liabilities		12,783		27,402
Total	**$**	**348,470**	**$**	**452,126**

7. DEFERRED PREMIUM ON FLOW-THROUGH SHARES

		October 31, 2025		April 30, 2025
Balance, beginning of period	**$**	**83,677**	**$**	**579,519**
Deferred premium on flow-through shares issued		-		353,934
Flow-through share premium reversal		(83,677)		(849,776)
Balance, end of period	**$**	**-**	**$**	**83,677**

Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company indemnified the holders of such shares for any tax and other costs payable by them in the event the Company has not made the required exploration expenditures. Under the IFRS framework, the increase to share capital when flow-through shares are issued is measured based on the current market price of common shares. The incremental proceeds, or "premium", are recorded as a liability.

During the year ended April 30, 2025, the Company received $1,406,669 from the issuance of flow-through common shares at a premium to the market price and recognized a deferred premium on flow-through common shares of $353,934.

As at October 31, 2025, the Company had fulfilled its remaining qualifying expenditure commitment of $367,167 from the proceeds of flow-through shares issued on November 14, 2024, thereby reducing the deferred premium on flow-through shares balance at October 31, 2025 to $Nil (April 30, 2025 - $83,677). All expenditures are required to be incurred on eligible exploration activities by December 31, 2025 in accordance with flow-through share agreements and applicable tax legislation.

(Expressed in Canadian Dollars - unaudited)

8. SHARE CAPITAL

As of October 31, 2025, the Company had an unlimited number of common shares authorized without par value and 17,984,959 common shares outstanding (April 30, 2025 – 12,192,727).

Six months ended October 31, 2025

On June 20, 2025, the Company issued 5,792,232 pursuant to the acquisition of Kraken (Note 4). The common shares had a fair value of $2,316,893 based on the share price of the Company on the date of acquisition.

Six months ended October 31, 2024

On October 20, 2024, the Company issued 133,333 to Standard Uranium as an option payment on the Sun Dog Property.

9. OPTIONS AND WARRANTS

a) Options

The Company has a stock option plan whereby a maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options. The terms of the granted options are fixed by the Board of Directors and are not to exceed ten years. The exercise price of options is determined by the Board of Directors but shall not be less than the closing price of the Company's common shares on the day preceding the day on which the options are granted, less any discount permitted by the Exchange. Options granted under the plan may vest immediately on grant, or over a period as determined by the Board of Directors or, in respect of options granted for investor relations services, as prescribed by Exchange policy. A continuity schedule of the Company's outstanding stock options for the six months ended October 31, 2025 and 2024 are as follows:

	October 31, 2025		October 31, 2024	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning of period	817,050	$ 2.61	37,050	$ 30.75
Replacement Options issued	181,942	8.57	-	-
Granted	-	-	560,000	1.50
Outstanding, end of period	**998,992**	**$ 3.69**	**597,050**	**$ 3.31**

During the six months ended October 31, 2025, the Company issued 181,942 stock options to the former Kraken option holders ("Replacement Options"), pursuant to its acquisition of Kraken (Note 4). The Black-Scholes Option Pricing Model inputs for the Replacement Options are as follows:

Grant Date	Expiry Date	Exercise Price	Risk-Free Interest Rate	Expected Life	Volatility Factor	Dividend Yield	Fair Value
June 20, 2025	June 9, 2027	$13.10	2.64%	1.61 years	100%	0	$0.001
June 20, 2025	October 11, 2027	$10.40	2.67%	1.95 years	100%	0	$0.002
June 20, 2025	April 3, 2028	$5.20	2.67%	2.42 years	100%	0	$0.005
June 20, 2025	May 25, 2029	$2.10	2.89%	3.40 years	100%	0	$0.016

Additionally, the Black-Scholes Option Pricing Model inputs for the options granted during the six months ended October 31, 2024 is as follows:

Grant Date	Expiry Date	Exercise Price	Risk-Free Interest Rate	Expected Life	Volatility Factor	Dividend Yield	Fair Value
May 4, 2024	May 4, 2029	$1.50	3.67%	5 years	93%	0	$0.10

During the three and six months ended October 31, 2025, the Company recognized stock-based compensation expense of $10,856 and $25,260 (2024 - $160,122 and $444,904) relating to the vesting of options.

(Expressed in Canadian Dollars - unaudited)

9. OPTIONS AND WARRANTS (continued)

As of October 31, 2025, the Company had outstanding stock options exercisable to acquire common shares of the Company as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price	Remaining contractual life (in years)
December 29, 2025	23,450	23,450	$ 40.00	0.16
January 26, 2027	11,600	11,600	$ 16.50	1.24
June 9, 2027	19,407	19,407	$ 13.10	1.61
October 11, 2027	111,592	111,592	$ 10.40	1.95
April 3, 2028	12,129	12,129	$ 5.20	2.42
April 26, 2028	2,000	2,000	$ 5.00	2.49
March 25, 2029	38,814	38,814	$ 2.10	3.40
May 4, 2029	560,000	560,000	$ 1.50	3.51
January 2, 2030	220,000	165,000	$ 0.70	4.18
	998,992	**943,992**	**$ 3.69**	**3.32**

b) Warrants

A continuity schedule of the Company's outstanding warrants for the six months ended October 31, 2025 and 2024 is as follows:

	October 31, 2025		October 31, 2024	
	Warrants outstanding	Weighted average exercise price	Warrants outstanding	Weighted average exercise price
Outstanding, beginning of period	**3,195,300**	**$ 1.93**	2,404,225	$ 5.76
Granted	-	**-**	-	-
Replacement Warrants issued	286,847	1.95	-	-
Outstanding, end of period	**3,482,147**	**$ 1.93**	**2,404,225**	**$ 5.76**

During the six months ended October 31, 2025, the Company assumed 286,847 warrants which are exercisable into Aero common shares pursuant to its acquisition of Kraken ("Replacement Warrants") (Note 4). The Black-Scholes Option Pricing Model inputs for the Replacement Warrants are as follows:

Grant Date	Expiry Date	Exercise Price	Risk-Free Interest Rate	Expected Life	Volatility Factor	Dividend Yield	Fair Value
June 20, 2025	June 28, 2027	$1.95	2.67%	2.02 years	100%	0	$0.007

At October 31, 2025, the Company had outstanding warrants exercisable to acquire common shares of the Company as follows:

Expiry date	Warrants outstanding	Warrants exercisable	Exercise price	Remaining contractual life (in years)
March 4, 2026	1,416,668	1,416,668	$ 2.50	0.34
March 8, 2026	489,693	489,693	$ 2.50	0.52
November 14, 2026	1,288,939	1,288,939	$ 1.10	1.04
June 28, 2027	286,847	286,847	$ 1.95	1.66
	3,482,147	3,482,147	$ 1.93	0.73

(Expressed in Canadian Dollars - unaudited)

10. RELATED PARTY TRANSACTIONS

The Company's related parties consist of its key management personnel, including its directors and officers. During the normal course of business, the Company enters into transactions with its related parties that are considered to be made at normal market prices and on normal commercial terms.

(a) Key management compensation included in management fees for the three and six months ended October 31, 2025 and 2024 were as follows:

	Three Months Ended		Six Months Ended	
	October 31, 2025	October 31, 2024	October 31, 2025	October 31, 2024
Management fees	$ 45,000	$ 48,000	$ 92,000	$ 116,000
Total	$ 45,000	$ 48,000	$ 92,000	$ 116,000

(b) During the three and six months ended October 31, 2025, the Company incurred stock-based compensation expense of $4,934 and $11,112 (2024 - $101,505 and $263,755) related to stock options granted to officers and directors of the Company.

(c) At October 31, 2025, the Company had $81,290 (April 30, 2025 - $25,854) owing to related parties. These amounts are non-interest bearing and have no fixed term of repayment.

11. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to continue its business and maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company's capital includes the components of its shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets, or adjust the amount of cash. In order to preserve cash, the Company does not pay any dividends.

The Company is not subject to any externally imposed capital requirements. The Company did not change its capital management approach during the six months ended October 31, 2025.

12. FINANCIAL INSTRUMENTS

a) Categories of financial instruments and fair value measurements

The Company's financial assets and liabilities are classified as follows:

	October 31, 2025	April 30, 2025
Financial assets:		
Fair value through profit and loss		
Cash	$ 102,267	$ 429,421
Marketable securities	$ -	$ 420,001
Amortized cost		
Receivables	$ 131,596	$ 87,278
Financial liabilities:		
Amortized cost		
Accounts payable	$ 335,687	$ 424,724

Amounts due to related parties are included within accounts payable (Note 10).

The fair values of the Company's cash, receivables and accounts payable approximate their carrying amounts due to the short-term nature of these instruments.

12. FINANCIAL INSTRUMENTS (continued)

IFRS 7 *Financial Instruments: Disclosures* establishes a fair value hierarchy that reflects the significance of inputs used in measuring fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At October 31, 2025 and April 30, 2025, the Company had no financial assets measured and recognized on the condensed consolidated statement of financial position at fair value belonging in Level 2 or Level 3 of the fair value hierarchy.

Cash is measured using level 1 inputs.

b) Management of financial risks

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At October 31, 2025, the Company was exposed to credit risk on its cash.

The Company's cash is held with a high credit quality financial institution in Canada and as at October 31, 2025, management considers its exposure to credit risk to be low.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At October 31, 2025, the Company had cash of $102,267 (April 30, 2025 - $429,421) and accounts payable and accrued liabilities of $348,470 (April 30, 2025 - $452,126) with contractual maturities of less than one year. The Company assessed its liquidity risk as high as at October 31, 2025. To address the liquidity risk, the Company completed a non-brokered financing subsequent to October 31, 2025 (Note 14).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at October 31, 2025.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at October 31, 2025, the Company is exposed to foreign currency risk, as it has cash, accounts payables and accrued liabilities denominated in US Dollars and Chilean Peso. Based on its volume of transactions, the Company determines its foreign currency risk is not significant. The following is the Canadian dollar equivalent of financial assets and liabilities that are denominated in US dollars and Chilean Peso:

	October 31, 2025	April 30, 2025
Cash	$ 42,618	$ 275
Accounts payable	(17,702)	(187,349)
Net exposure	**$ (24,916)**	**$ (187,074)**

(Expressed in Canadian Dollars - unaudited)

13. SEGMENTED INFORMATION

The Company is organized into business units based on exploration and evaluation assets and has three reportable operating segments, being that of acquisition and exploration and evaluation activities in Chile, Canada, and the United States. The Company is in the exploration stage and has no reportable segment revenues or operating results. The Company's total assets are segmented geographically as follows:

	Chile	United States	Canada	Total
As at April 30, 2025				
Current assets	$ 275	$ -	$ 1,029,468	$ 1,029,743
Advances to joint venture partners	-	-	131,354	131,354
Exploration and evaluation assets	-	-	7,716,085	7,716,085
	$ 275	$ -	$ 8,876,907	$ 8,877,182
As at October 31, 2025				
Current assets	$ 4,816	$ -	$ 274,635	$ 279,451
Advances to joint venture partners	-	-	15,604	15,604
Exploration and evaluation assets	-	2,448,586	4,158,264	6,606,850
	$ 4,816	$ 2,448,586	$ 4,448,503	$ 6,901,905

14. SUBSEQUENT EVENTS

On December 9, 2025, the Company entered into a purchase and sale agreement to sell 100% of the issued and outstanding shares of Rio Explorations SpA, which directly holds the Dorado and Cordillera gold projects, to Batik Resources Ltd. ("Batik"). The total consideration is $3,600,000, payable as follows:

- $700,000 cash payable on closing, less customary Chilean withholding taxes which are expected to be recoverable; and
- $2,900,000 in common shares of Batik, to be issued upon listing of Batik's common shares on a recognized stock exchange at a price equal to the listing price or concurrent financing price.

On December 9, 2025, the Company issued 29,557 warrants to an eligible arm's length finder in connection with its November 14, 2024 non-brokered private placement. The warrants are exercisable at $1.10 until November 14, 2026.

On December 16, 2025 and December 23, 2025, the Company issued 166,666 common shares and paid $250,000, respectively, to Fortune Bay as consideration payments pursuant to the option agreement in respect of the Murmac and Strike Properties.

On December 23, 2025, the Company completed a share consolidation on the basis of ten pre-consolidation common shares for every one post-consolidation common share. All share and per-share figures have been adjusted to reflect this consolidation.

On December 23, 2025, the Company completed the first tranche of a non-brokered private placement for gross proceeds of $1,265,550 through the issuance of 5,502,392 common shares, at a price per share of $0.23. In connection with the first tranche, the Company incurred finders fees of $62,796 and issued 273,026 finders warrants ("Finders Warrants"). The Finders Warrants are exercisable at $0.23 until December 23, 2027.

Management Discussion and Analysis
For the Six Months Ended October 31, 2025

This management's discussion and analysis ("MD&A") is management's interpretation of the financial condition and results of operations of Aero Energy Limited (the "Company" or "Aero") for the six months ended October 31, 2025. This MD&A should be read in conjunction with the condensed consolidated interim financial statements of the Company for the six months ended October 31, 2025, as well as the audited financial statements of the Company for the fiscal year ended April 30, 2025, prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements, but does not form part of, the Company's financial statements.

This MD&A contains forward-looking statements. Statements regarding the adequacy of cash resources to carry out the Company's exploration programs or the need for future financing are forward-looking statements. All forward-looking statements, including those not specifically identified herein, are made subject to cautionary language included in this MD&A. Readers are advised to refer to the cautionary language when reading any forward-looking statements.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of December 24, 2025.

BUSINESS OVERVIEW

The Company was incorporated under the laws of the Canada Business Corporations Act on October 6, 2004. On October 22, 2012, the Company completed a continuation under the BC Business Corporations Act ("BCBCA"). On December 18, 2020, the Company changed its name to Angold Resources Ltd. On February 8, 2024, the Company changed its name from Angold Resources Ltd. to Aero Energy Limited. The Company is listed on the TSX Venture Exchange (the "Exchange") under the trading symbol "AERO" and on the OTC Pink under the symbol "AAUGF". The Company's principal office is located at 918-1030 West Georgia Street, Vancouver, BC, V6E 2Y3.

On June 20, 2025, the Company completed its acquisition of Kraken Energy Corp. ("Kraken"), a resource exploration company engaged in uranium exploration at its wholly owned Apex and Huber Hills properties, whereby the Company acquired all of the issued and outstanding common shares of Kraken (the "Transaction"). Pursuant to the terms of the Transaction, all of the issued and outstanding common shares of Kraken were exchanged for an aggregate of 5,792,232 common shares of Aero, on the basis of 0.97037 Aero common shares for each Kraken share (the "Exchange Ratio"). 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 prices adjusted by the Exchange Ratio.

The Company is an exploration company in the business of acquiring, exploring, and evaluating natural resource properties, and either developing these properties further or disposing of them when the evaluation is complete. As at the date of this MD&A, the Company is focused on advancing its flagship optioned properties – Strike, and Murmac, which are located in the historic Uranium City district within Saskatchewan's Athabasca Basin, as well as the newly acquired Apex and Huber Hills uranium projects, which are located in Nevada, USA.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the future. Many factors influence the Company's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the acquisition of new projects. There is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable, or at all.

On October 20, 2024, the Company issued 133,333 common shares and paid $200,000 to Standard Uranium Ltd. ("Standard") pursuant to the Sun Dog Option.

On November 14, 2024, the Company closed a non-brokered private placement for gross proceeds of $2,034,219 by issuing (i) 896,499 non-flow-through units of the Company at a price of $0.70 per unit; (ii) 763,750 flow-through units of the Company at a price of $0.80 per unit; and (iii) 740,157 flow-through charity units at a price of $1.075. Each unit consists of one common share of the Company and one-half of one share purchase warrant exercisable at a price of $1.10 and expiring on November 14, 2026.

On December 16, 2024, 230,941 options with an exercise price of $16.50 expired.

On December 20, 2024, the Company issued 133,333 common shares and paid $200,000 to Fortune Bay Corp. ("Fortune Bay") pursuant to the Strike and Murmac Option.

On January 2, 2025, the Company granted 220,000 stock options with an exercise price of $0.70 and expiring on January 2, 2030.

On December 9, 2025, the Company issued 29,557 warrants to an eligible arm's length finder in connection with its November 14, 2024 non-brokered private placement. The warrants are exercisable at $1.10 until November 14, 2026.

On December 16, 2025 and December 23, 2025, the Company issued 166,666 common shares and paid $250,000, respectively, to Fortune Bay as consideration payments pursuant to the option agreement respecting the Murmac and Strike Properties.

On December 23, 2025, the Company completed a share consolidation on the basis of ten pre-consolidation common shares for every one post-consolidation common share. All share and per-share figures have been adjusted to reflect this consolidation.

On December 23, 2025, the Company completed the first tranche of a non-brokered private placement for gross proceeds of $1,265,550 through the issuance of 5,502,392 common shares, at a price per share of $0.23. In connection with the first tranche, the Company incurred finders fees of $62,796 and issued 273,026 finders warrants ("Finders Warrants"). The Finders Warrants are exercisable at $0.23 and expire on December 23, 2027.

Acquisition of Kraken Energy Corp.

The Company accounted for the acquisition of Kraken as an asset acquisition as it did not meet the definition of a business under IFRS 3, "Business Combinations". As a result, the transaction has been measured at the fair value of the equity consideration paid as determined based on IFRS 2, "Share Based Payments". The following table summarizes the total consideration, the fair value of the acquired identifiable assets and liabilities assumed as of the date of the acquisition:

Fair value of common shares issued	$	2,316,893
Fair value of replacement options		8,565
Fair value of replacement warrants		19,752
Total consideration	$	2,345,210
Assets acquired:		
Cash	$	45,080
Receivables		9,652
Prepaid expenses		23,167
Exploration and evaluation asset – Apex		2,329,135
Current liabilities assumed		(61,824)
Net assets acquired	$	2,345,210

The excess of purchase consideration over the net assets acquired was allocated to the Apex project based on the Company's assessment of relative fair value.

Fortune Bay Properties

The Strike and Murmac option is for the right to acquire up to 70% in the Strike and Murmac properties from Fortune Bay under the following terms:

	Cash (C$)		Consideration Shares (C$)		Exploration Expenditures (C$)	Interest Earned
Execution Date	$200,000	(paid)	$200,000	(issued)	*Nil*	
December 15, 2024	$200,000	(paid)	$200,000	(issued)	$1,000,000	
December 15, 2025	$250,000		$250,000		$2,000,000	
Total (First Option)	**$650,000**		**$650,000**		**$3,000,000**	**51%**
December 15, 2026	$300,000		$300,000		$3,000,000	
Total (Second Option)	**$300,000**		**$300,000**		**$3,000,000**	**60%**
December 15, 2027	$400,000		$1,200,000		*Nil*	
Total (Third Option)	**$400,000**		**$1,200,000**		***Nil***	**70%**
Grand Total	**$1,350,000**		**$2,150,000**		**$6,000,000**	

On December 11, 2025, the Company amended the terms of the option agreement with Fortune Bay to extend the deadline to incur the required exploration expenditures from December 15, 2025 to March 15, 2026. The consideration shares were issued and the cash payment was made on December 16, 2025 and December 23, 2025, respectively.

After earning-in a 51%, 60% or 70% interest (whichever the case may be), the Company and Fortune Bay will form a joint venture with standard pro-rata funding requirements. The Murmac property is subject to an existing 2% net smelter returns ("NSR") royalty.

Pursuant to the option agreement, Fortune Bay will act as the operator of the work programs, which are to be funded by the Company. As of October 31, 2025, the Company had advanced $15,604 (April 30, 2025 - $98,869) to Fortune Bay to be spent on exploration expenditures, which had not yet been incurred. During the six months ended October 31, 2025, the Company received a $50,000 refund pursuant to the government of Saskatchewan's TMEI program, for expenditures incurred on the Fortune Bay properties (April 30, 2025 - $Nil).

Apex Property

On June 20, 2025, the Company acquired the Apex Property in connection with its acquisition of Kraken. The Apex Property remains subject to a 3% NSR royalty in favour of the original property vendors.

Huber Hills Property

On June 20, 2025, the Company acquired the Huber Hills Property in connection with its acquisition of Kraken. The Company did not allocate any consideration to the Huber Hills Property, and accordingly the carrying value is $Nil as of October 31, 2025. The Huber Hills Property is located in Elko County, Nevada.

Sun Dog Property

The Sun Dog option is for the right to acquire a 100% interest from Standard under the following terms:

	Cash (C$)		Consideration Shares (C$)		Exploration Expenditures (C$)	Interest Earned
Execution Date	$200,000	(paid)	$200,000	(issued)	*Nil*	
October 20, 2024	$200,000	(paid)	$200,000	(issued)	$1,500,000	
October 20, 2025	$250,000		$250,000		$2,000,000	
October 20, 2026	*Nil*		*Nil*		$3,000,000	
Total	**$650,000**		**$650,000**		**$6,500,000**	**100%**

Following exercise of the Sun Dog option, Standard will retain a 2% net smelter returns royalty, which may be reduced to 1% for a $1,000,000 cash payment.

During the six months ended October 31, 2025, the Company received a $50,000 refund pursuant to the government of Saskatchewan's Targeted Mineral Exploration Incentive ("TMEI") program, for expenditures incurred on the Sun Dog property (April 30, 2025 - $Nil).

Subsequent to October 31, 2025, the Company determined to relinquish its option agreement in respect of the Sun Dog Project, to concentrate its efforts on its highest-priority uranium exploration projects. Accordingly, the Sun Dog Project was written off during the three months ended October 31, 2025, resulting in an impairment expense of $3,794,495. As of October 31, 2025, the Company had advanced $70,833 to Standard Uranium which was to be reimbursed to the Company upon relinquishing the option agreement and accordingly was recorded in accounts receivable as of October 31, 2025.

Dorado and Cordillera Properties, Chile

The Company holds a 100% interest in the Dorado and Cordillera properties in the Maricunga region of Chile that include a 2% net smelter royalty which may be reduced to 1% for $2,000,000 at any time. As of April 30, 2025, the Company decided to discontinue exploration on these properties to focus its efforts on the Sun Dog and Fortune Bay projects. Accordingly, the Chile properties were written off during the year ended April 30, 2025.

On December 9, 2025, the Company entered into a purchase and sale agreement to sell 100% of the issued and outstanding shares of Rio Explorations SpA, which directly holds the Dorado and Cordillera gold projects, to Batik Resources Ltd. ("Batik"). The total consideration is $3,600,000, payable as follows:

- $700,000 cash payable on closing, less customary Chilean withholding taxes which are expected to be recoverable; and
- $2,900,000 in common shares of Batik, to be issued upon listing of Batik's common shares on a recognized stock exchange at a price equal to the listing price or concurrent financing price.

Costs incurred with respect to the properties are summarized below:

	Sun Dog	Fortune Bay	Apex	Huber Hills	Chile Properties	Total
Acquisition Costs						
Balance, April 30, 2024	$ 1,769,522	$ 1,065,250	$ -	$ -	$ 284,875	$ 3,119,647
Additions	293,333	266,667	-	-	-	560,000
Impairment	-	-	-	-	(284,875)	(284,875)
Balance, April 30, 2025	2,062,855	1,331,917	-	-	-	3,394,772
Acquired from Kraken (Note 4)	-	-	2,329,135	-	-	2,329,135
Impairment	(2,062,855)	-	-	-	-	(2,062,855)
Balance, October 31, 2025	$ -	$ 1,331,917	$ 2,329,135	$ -	$ -	$ 3,661,052
Deferred Exploration Costs						
Balance, April 30, 2024	$ 263,306	$ 262,446	$ -	$ -	$ 6,421,609	$ 6,947,361
Geophysics	439,011	124,386	-	-	-	563,397
General project costs	23,765	68,428	-	-	308,922	401,115
Drilling	1,044,378	2,095,593	-	-	-	3,139,971
Impairment	-	-	-	-	(6,730,531)	(6,730,531)
Balance, April 30, 2025	1,770,460	2,550,853	-	-	-	4,321,313
Drilling	-	233,265	-	-	-	233,265
Permitting	-	-	106,986	-	-	106,986
General project costs	11,180	92,229	-	12,465	-	115,874
TMEI refund	(50,000)	(50,000)	-	-	-	(100,000)
Impairment	(1,731,640)	-	-	-	-	(1,731,640)
Balance, October 31, 2025	$ -	$ 2,826,347	$ 106,986	$ 12,465	$ -	$ 2,945,798
Total						
Balance, April 30, 2025	$ 3,833,315	$ 3,882,770	$ -	$ -	$ -	$ 7,716,085
Balance, October 31, 2025	$ -	$ 4,158,264	$ 2,436,121	$ 12,465	$ -	$ 6,606,850

FINANCIAL REVIEW

Results of operations for the three months ended October 31, 2025

	Three Months Ended October 31, 2025	Three Months Ended October 31, 2024	Change
Management fees	$ 45,000	$ 68,000	$ (23,000)
General and administrative	52,345	47,130	5,215
Professional fees	88,892	19,938	68,954
Consulting fees	-	143,233	(143,233)
Shareholder information and investor relations	420	414,799	(414,379)
Transfer agent, regulatory and listing fees	10,909	6,758	4,151
Foreign exchange	(20,267)	1,896	(22,163)
Stock-based compensation	10,856	160,122	(149,266)
Change in fair value of marketable securities	-	100,000	(100,000)
Flow-through share premium reversal	(78,758)	(244,631)	165,873
Impairment of exploration and evaluation assets	3,794,495	-	3,794,495
Net loss	**$ 3,903,892**	**$ 717,245**	**$ 3,186,647**

The Company incurred a net loss and comprehensive loss of $3,903,892 during the three months ended October 31, 2025, an increase in loss of $3,186,647 from a net and comprehensive loss of $717,245 for the three months ended October 31, 2024. The increase in loss was primarily due to:

- The impairment of exploration and evaluation assets of $3,794,495 in the current quarter, as the Company relinquished the Sun Dog Project and wrote it off during the quarter;
- A decrease in flow-through premium reversal by $165,873, contributing to a larger loss for the period, as the Company incurred more eligible exploration expenditures in the prior period; and
- An increase to professional fees of $68,954, driven by increased legal activity incurred for the acquisition of Kraken.

These were partially offset by:

- Decreases in consulting fees of $143,233, shareholder information and investor relations of $414,379, and management fees of $23,000, as part of cost-reduction and cash conservation measures;
- A decrease in stock-based compensation of $149,266, due to the timing of option grants and vesting, with no grants in the current period; and
- A decrease in the change in fair value of marketable securities of $100,000, driven by an increase in the share price of securities held.

Results of operations for the six months ended October 31, 2025

	Six Months Ended October 31, 2025	Six Months Ended October 31, 2024	Change
Management fees	$ 92,000	$ 153,500	$ (61,500)
General and administrative	96,290	82,651	13,639
Professional fees	151,419	30,477	120,942
Consulting fees	7,500	267,983	(260,483)
Shareholder information and investor relations	66,193	658,913	(592,720)
Transfer agent, regulatory and listing fees	50,395	16,373	34,022
Foreign exchange	(38,189)	5,389	(43,578)
Stock-based compensation	25,260	444,904	(419,644)
Change in fair value of marketable securities	(3,272)	164,283	(167,555)
Flow-through share premium reversal	(83,677)	(450,731)	367,054
Impairment of exploration and evaluation assets	3,794,495	-	3,794,495
Net loss	**$ 4,158,414**	**$ 1,373,742**	**$ 2,784,672**

The Company incurred a net loss and comprehensive loss of $4,158,414 during the six months ended October 31, 2025, an increase in loss of $2,784,672 from a net and comprehensive loss of $1,373,742 for the six months ended October 31, 2024.

The increase in loss was primarily due to:

- The impairment of exploration and evaluation assets of $3,794,495 in the current quarter, as the Company relinquished the Sun Dog Project and wrote it off during the quarter;
- A decrease in flow-through premium reversal of $367,054, contributing to a larger loss for the period, as the Company incurred more eligible exploration expenditures in the prior period; and
- An increase in professional fees of $120,942, driven by increased legal activity incurred for the acquisition of Kraken.

These were partially offset by:

- Decreases in consulting fees of $260,483, shareholder information and investor relations of $592,720, and management fees of $61,500, as part of cost-reduction and cash conservation measures;
- A decrease in stock-based compensation of $419,644, due to the timing of option grants and vesting, with no grants in the current period; and
- A decrease in the change in fair value of marketable securities of $167,555, driven by an increase in the share price of securities held.

Previous financings and use of funds

The Company's previous private placement disclosures did not specify intended use of proceeds. Funds raised through flow-through financings are planned for exploration activities, with any remaining amounts allocated to property maintenance, corporate development, and general working capital, as summarized below:

	Exploration	General Working Capital, Corporate Development and Property Maintenance
Funds raised on November 7, 2023	$ -	$ 844,000
Funds raised on March 6, 2024	2,674,400	1,862,770
Funds raised on March 8, 2024	508,742	854,086
Funds raised on November 14, 2024	1,406,669	627,550
Less funds used up to October 31, 2025	(4,589,811)	(4,086,139)
Funds remaining	$ -	$ 102,267

Summary of quarterly results

The following table provides a summary of financial data for the Company's most recent eight quarters derived from the Company's unaudited condensed consolidated interim financial statements prepared in accordance with IAS 34:

	Quarter ended	Revenue	Loss before other income and expenses	Total comprehensive loss	Basic and diluted income (loss) per common share
Q2/26	October 31, 2025	$ -	$ (188,155)	$ (3,903,892)	$ (0.22)
Q1/26	July 31, 2025	$ -	$ (262,713)	$ (254,522)	$ (0.02)
Q4/25	April 30, 2025	$ -	$ (7,463,195)	$ (6,778,953)	$ (0.56)
Q3/25	January 31, 2025	$ -	$ (698,789)	$ (572,858)	$ (0.06)
Q2/25	October 31, 2024	$ -	$ (872,860)	$ (728,229)	$ (0.08)
Q1/25	July 31, 2024	$ -	$ (798,314)	$ (656,497)	$ (0.06)
Q4/24	April 30, 2024	$ -	$ (354,974)	$ (234,499)	$ (0.02)
Q3/24	January 31, 2024	$ -	$ (190,423)	$ (939,908)	$ (0.28)

The primary factors affecting the magnitude and variations of the Company's losses are as follows:

- Q2 2026: The Company wrote off its Sun Dog Properties, resulting in an impairment of $3,794,495.
- Q1 2026: The Company had reduced expenditures, driven by cost-reduction and capital conservation.
- Q4 2025: The Company wrote off its Chile Properties, resulting in an impairment of $7,015,406.
- Q1 and Q2 2025: The Company began active exploration work on its properties resulting in an overall increase in activity compared to comparative periods.
- Q4 2024: The Company incurred professional fees in relation to the acquisition of 1443904 B.C. Ltd.
- Q3 2024: The Company recognized a loss on marketable securities of $628,685 on its shares in Minas Metals Ltd., as well as a loss on debt settlement of $120,800, driving the increased net loss and comprehensive loss in the quarter.

LIQUIDITY AND CAPITAL RESOURCES

The Company's financial statements for the six months ended October 31, 2025 have been prepared on a going concern basis, which assumes that the Company will continue in operation in the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. At October 31, 2025, the Company had cash of $102,267 (April 30, 2025: $429,421) and its current liabilities exceeded its current assets by $69,019 (April 30, 2025: $493,940). The Company currently has no active business and is not generating any revenues. It has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of $34,862,705 as at October 31, 2025 (April 30, 2025: $30,704,291).

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future. The condensed consolidated interim financial statements for the six months ended October 31, 2025 do not give effect to the required adjustments to the carrying amounts and classification of assets and liabilities should the Company be unable to continue as a going concern.

Cash flows

Cash used in operating activities for the six months ended October 31, 2025 was $618,464 compared to $489,395 for the six months ended October 31, 2024. The lower outflow was mainly due to the factors discussed above under results of operations.

Cash provided by investing activities for the six months ended October 31, 2025 was $291,310 compared to cash outflows of $2,736,747 in the comparative period. The cash inflow for the current period is a result of the cash acquired on acquisition of Kraken, the TMEI refund, and proceeds from sale of marketable securities. The cash outflows in the comparative quarter relate to exploration expenditures.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties consist of its key management personnel and close family members of its key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and consist of its directors, the Chief Executive Officer and the Chief Financial Officer.

During the three and six months ended October 31, 2025 the Company incurred key management compensation as follows:

- $30,000 and $60,000 (2024 - $30,000 and $80,000), respectively, for CEO consulting services provided by 101252098 Saskatchewan Ltd., a company wholly owned by the Company's interim CEO, Galen McNamara.
- $12,000 and $12,000 (2024 - $18,000 and $36,000), respectively, for CFO consulting services provided by 1950 Consulting Ltd., a company wholly owned by the Company's former CFO, Martin Bajic.
- $15,000 and $20,000 (2024 - $Nil and $Nil), respectively, for CFO consulting services provided by Carson Halliday.

As at October 31, 2025, there was $81,290 (April 30, 2025 - $25,854) owing to related parties in respect of services provided to the Company and $Nil owing in respect of expenses incurred on behalf of the Company.

During the three and six months ended October 31, 2025, the Company incurred stock-based compensation expenses to related parties of $4,934 and $11,112 (2024 - $101,505 and $263,755).

CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical judgments and estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements for the six months ended October 31, 2025 are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Impairment of long-lived assets

The Company evaluates its long-term assets at each reporting period to determine if there are any indications of impairment. If any such indications exist, an estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The estimates and assumptions used to estimate the recoverable amount of the long-lived assets are subject to risk and uncertainty and there is the possibility that changes in circumstances will alter these estimates and assumptions.

Determination of functional currency

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the respective entity operates; the Company has determined the functional currency of Aero Energy Limited and its subsidiaries to be the Canadian dollar. Such determination involves certain judgments to identify the primary economic environment. The Company reconsiders the functional currency of its subsidiaries if there is a change in events and/or conditions which determine the primary economic environment.

Business combination versus asset acquisition

Management applied judgment to determine whether the assets acquired and liabilities assumed on acquisition of Kraken constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. During the period ended October 31, 2025, the Company completed the acquisition of Kraken and concluded that the transaction did not qualify as a business combination under IFRS 3, "Business Combinations".

Income taxes

The Company recognizes deferred tax assets for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and other income tax deductions can be utilized. In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

As at October 31, 2025 and April 30, 2025, the Company has not recognized any deferred tax assets for deductible temporary differences. Changes in any of the above-mentioned estimates can materially affect the amount of income tax assets recognized. In addition, where applicable tax laws and regulations are either unclear or subject to varying interpretations, changes in these estimates can occur that materially affect the amounts of income tax assets recognized. The Company reassesses unrecognized income tax assets at the end of each reporting period.

NEW ACCOUNTING STANDARDS AND ACCOUNTING STANDARDS NOT YET EFFECTIVE

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes.

IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the six months ended October 31, 2025.

FINANCIAL INSTRUMENTS AND RELATED RISKS

Classifications

The Company's financial assets and liabilities are classified as follows:

	October 31, 2025	April 30, 2025
Financial assets:		
Fair value through profit and loss		
Cash	$ 102,267	$ 429,421
Marketable securities	$ -	$ 420,001
Amortized cost		
Receivables	$ 131,596	$ 87,278
Financial liabilities:		
Amortized cost		
Accounts payable	$ 335,687	$ 424,724

Accounts payable includes amounts due to related parties.

The fair values of the Company's cash, receivables, and accounts payable approximate their carrying amounts due to the short-term nature of these instruments.

Financial instrument risk exposure

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At October 31, 2025, the Company was exposed to credit risk on its cash.

The Company's cash is held with a high credit quality financial institution in Canada and as at October 31, 2025, management considers its exposure to credit risk to be low.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At October 31, 2025, the Company had cash of $102,267 (April 30, 2025 - $429,421) and accounts payable and accrued liabilities of $348,470 (April 30, 2025 - $452,126) with contractual maturities of less than one year. The Company assessed its liquidity risk as high as at October 31, 2025. To address the liquidity risk, the Company completed a non-brokered financing on December 23, 2025.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at October 31, 2025.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at October 31, 2025, the Company is exposed to foreign currency risk, as it has cash, accounts payables and accrued liabilities denominated in US Dollars and Chilean Peso. Based on its volume of transactions, the Company determines its foreign currency risk is not significant.

OUTSTANDING SHARE CAPITAL DATA

At the date of this MD&A, the Company has 23,654,030 common shares, 3,784,730 warrants and 998,992 stock options outstanding.

The Company has authorized an unlimited number of common shares without par value.

RISKS AND UNCERTAINTIES

The Company's business remains mineral property acquisition, exploration and development business and as a result it may be exposed to a number of operational, financial, regulatory and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company's business, results of operations, and financial performance in future periods.

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the BCBCA dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of Aero are required to act honestly, in good faith, and in the best interest of Aero.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements" and "forward-looking information" within the meaning of Canadian securities legislation. All statements included in this MD&A, other than statements of historical fact, are forward-looking statements. When used in this MD&A, words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict", "foresee" and other similar terminology, or sentences/statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance.

These statements reflect the Company's current expectations regarding future events, performance and results, and are accurate only at the time of this MD&A and may be superseded by more current information. Forward-looking statements also involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company or its mineral projects to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information.

In making such statements, the Company has made assumptions regarding, among other things: general business and economic conditions; the availability of additional; the supply and demand for, inventories of, and the level and volatility of the prices of metals; the timing and receipt of governmental permits and approvals; changes in regulations; political factors; the accuracy of the Company's interpretation of the geology of the Company's properties and prospective properties; the availability of equipment, skilled labour and services needed for the exploration of mineral properties; and currency fluctuations.

Although the forward-looking statements or information contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. They should not be read as guarantees of future performance or results. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to: the factors discussed below and under "Risks and Uncertainties", failure to identify targets or mineralization, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate First Nations and other indigenous peoples, inability to reach access agreements with other project communities, amendments to applicable mining laws, uncertainties relating to the availability and costs of financing or partnerships needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry.

Forward-looking information is designed to help readers understand management's current views of the Company's near and longer-term prospects, and it may not be appropriate for other purposes. The Company will not update any forward-looking statements or forward-looking information unless required by applicable securities laws.

EXHIBIT "C"

AUDIT COMMITTEE CHARTER

(See attached)

AERO ENERGY LIMITED
(the "Corporation" or "Company")

AUDIT COMMITTEE CHARTER

1. Purpose

The Audit Committee (the "**Committee**") is a standing committee of the Board of Directors (the "**Board**") of the Corporation with the responsibility under the governing legislation of the Company to review the financial statements, accounting policies and reporting procedures of the Company.

The primary function of the Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to any governmental body or the public, the systems of internal controls of the Company regarding finance, accounting and legal compliance that management and the Board have established, and the auditing, accounting and financial reporting processes of the Company. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the policies, procedures and practices at all levels of the Company.

The primary duties and responsibilities of the Committee are to:

- Serve as an independent and objective party to monitor the financial reporting process and the system of internal controls of the Company.
- Monitor the independence and performance of the external auditor of the Company (the "Auditor") and the accounting and financial reporting function of the Company.
- Provide an open avenue of communication among the Auditor, financial and senior management and the Board of Directors.

The Committee will primarily fulfill these responsibilities by carrying out the activities set out in Section 4 of this Charter.

2. Composition

The Committee shall be comprised of two or more directors as determined by the Board. The composition of the Committee shall adhere to all applicable corporate and securities laws and all requirements of the stock exchanges on which shares of the Company are listed. In particular, the composition of the Committee shall be in accordance with Multilateral Instrument 52-110 – Audit Committees, and the required qualifications and experience of the members of the Committee, subject to any exemptions or other relief that may be granted from time to time.

All members of the Committee shall have a working familiarity with basic finance and accounting practices, and at least one member of the Committee shall be a "financial expert" in accordance with applicable laws and all requirements of the stock exchanges on which shares of the Company are listed.

Members of the Committee shall be elected by the Board at the meeting of the Board held immediately after the annual meeting of shareholders or such other times as shall be determined by the Board and shall serve until the next such meeting or until their successors shall be duly elected and qualified.

Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director. Subject to the foregoing, each member of the Committee shall hold such office until the next annual meeting of shareholders after his or her election as a member of the Committee.

The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board of Directors may from time to time determine.

3. Meetings

The Committee may appoint one of its members to act as Chair of the Committee. The Chair shall appoint a secretary (the "Secretary") to record minutes of all meetings. The Secretary need not be a member of the Committee or a director and may be replaced by written notice from the Chair.

The Committee may conduct business only at a meeting where a quorum is present or by written consent signed by all members of the Committee. A majority of the members of the Committee shall constitute a quorum. If the Committee has an even number of members, a quorum shall consist of one-half of the members plus one.

The Committee shall meet as often as it deems necessary to carry out its duties, at the discretion of the Chair or a majority of its members. The Committee shall meet at least annually with management and the Auditor to review the Company's financial statements and audit findings. As part of its duty to foster open communication, the Committee should meet separately, at least annually, with management and with the Auditor in private sessions.

The Chair shall determine the time, place and procedures for Committee meetings, unless otherwise provided in the Company's articles, by-laws or by resolution of the Board of Directors. Meetings may be held in person, by telephone, or by other electronic means as permitted by applicable law and the Company's government documents.

The Committee may invite or require the attendance of Company officers, employees, external auditors, legal counsel or other persons as it deems necessary to fulfill its duties and responsibilities. Such individuals may be requested to provide information, analysis or presentations to assist the Committee as appropriate.

Subject to the Company's governing legislation and applicable regulations, the Chair may exercise the powers of the Committee between meetings when immediate action is required. Any such actions or decisions shall be promptly reported to the Committee and recorded in its official records.

4. Responsibilities and Duties

To fulfill its mandate, the Committee shall carry out the following responsibilities:

Document and Report Review

- Review this Charter and recommend any revisions or updates to the Board for approval. This review should be done periodically, but at least annually, as conditions dictate.

- Review and report to the Board on the unaudited quarterly and annual audited financial statements of the Company.

- On behalf of the Board, satisfy itself that the Company's unaudited quarterly financial statements and annual audited financial statements are fairly presented in accordance with generally accepted accounting principles and recommend their approval by the Board.

- On behalf of the Board, satisfy itself that the Company's quarterly and annual financial disclosures, including those in annual reports to shareholders and regulatory filings are accurate, complete and not misleading.

- Review all financial reports or other financial information submitted to any governmental body, or the public, including any certification, report, opinion or review rendered by the Auditor.

- Review, and if deemed advisable, approve all related party transactions as defined in the governing legislation of the Company.

- For the purpose of performing its duties, the Committee may: (i) inspect the books and records of the Company and its subsidiaries; (ii) discuss financial matters with Company officers, management and the Auditor; (iii) commission reports or supplemental information relating to the financial information; (iv) require the Auditor to attend any or every meeting of the Committee; and (v) engage such independent

counsel or other advisors at the Company's expense as deemed necessary.

- Permit the Board to refer to the Committee such matters and questions relating to the financial position of the Company and its affiliates or the reporting related to it as the Board may from time to time see fit.

Independent Auditor

- Be directly responsible for the appointment, compensation, and oversight of the work of the Auditor, subject to shareholder approval, with such Auditor being ultimately accountable to the shareholders, the Board and the Committee.

- Act as the Auditor's channel of direct communication to the Company. In this regard, the Committee shall, among other things, receive all reports from the Auditor, including timely reports of:

    1. all critical accounting policies and practices to be used;

    2. all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the management of the Company, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Auditor; and

    3. other material written communications between the Auditor and the Company's management, including, but not limited to, any management letter or schedule of unadjusted differences.

- The Committee shall, on behalf of the Board, satisfy itself that the Auditor is independent of management in accordance with applicable laws, regulatory authorities and professional standards. The Committee shall request, at least annually, a formal written statement from the Auditor detailing all relationships with the Company that could affect independence. The Committee shall also obtain any additional information from the Auditor and management necessary to assess potential conflicts of interest. The Committee shall actively engage the Auditor in a dialogue with respect to any disclosed relationships or services that may impact the objectivity and independence of the Auditor. The Committee shall take, or recommend that the full Board take, appropriate action to oversee the independence of the Auditor.

- Be responsible for pre-approving all audit and non-audit services provided by the Auditor; provided, however, that the Committee shall have the authority to delegate such responsibility to one or more of its members to the extent permitted under applicable law and stock exchange rules.

- Review the performance of the Auditor and make recommendations to the Board as to whether or not to continue to engage the Auditor.

- Determine and review the remuneration of the Auditor and any independent advisors (including independent counsel) to the Committee.

- Satisfy itself, on behalf of the Board, that the internal audit function has been effectively carried out and that any matter which the Auditor wishes to bring to the attention of the Board has been addressed and that there are no unresolved differences with the Auditor.

Financial Reporting Process and Risk Management

- Review the Auditor's annual audit plan for the current year and management's responses to audit recommendations.

- Monitor internal accounting controls, accounting systems and management reporting processes.

- Review the relevance and appropriateness of the accounting policies with management and the Auditor and approve all significant changes to such policies.

- The Committee shall, on behalf of the Board, satisfy itself that the Company has implemented and maintained effective systems of internal control over financial reporting, the safeguarding of assets, and other risk management processes. This includes the identification of significant risks, the establishment

of procedures to mitigate those risks, and the monitoring of corporate performance in relation to these risks, encompassing the Company's assets, management, financial and operational activities, and the health and safety of employees.

- Review and approve investment and treasury policies of the Company and monitor compliance with such policies.

- Establish procedures for the receipt and treatment of (i) complaints received by the Company about accounting, internal controls, or auditing matters and (ii) confidential employee reports on questionable accounting or auditing matters.

Legal and Regulatory Compliance

- Satisfy itself, on behalf of the Board, that all material statutory deductions are properly withheld by the Company and remitted to the appropriate authorities.

- Without limiting its authority to retain legal counsel as needed, the Committee shall review, together with the Company's principal external legal counsel, any legal matters that could materially affect the Company's financial statements.

- Satisfy itself, on behalf of the Board, that all regulatory compliance issues are identified and addressed.

Budgets

- Assist the Board in reviewing and approving management's operating, capital and other budgets.

General

- Perform any other duties consistent with this Charter, the Company's by-laws and applicable law, as directed by the Committee or Board of Directors.

As adopted by the Board of Directors on January 12, 2021
Reviewed and approved with minor amendments on October 20, 2025

SCHEDULE "F"

INFORMATION CONCERNING AERO POST-ARRANGEMENT

The information contained in this Schedule "F" relating to Aero or other third parties is based upon information supplied by Aero or such third parties, as applicable. As such, Urano assumes no responsibility for the accuracy or completeness of such information or any omission on the part of Aero or such third parties to respectively disclose facts or events that may affect the accuracy or completeness of any such information.

The is a summary of Aero post-Arrangement, its business and operations, which should be read together with the more detailed information and financial data and statements contained elsewhere in this Information Circular. The information contained in this Schedule "F", unless otherwise indicated, is given as of the date of this Information Circular. Capitalized terms used but not otherwise defined in this Schedule "F" shall have the meaning ascribed to them in the Information Circular. See "*Glossary of Terms*".

Overview

On completion of the Arrangement, Pegasus will be a wholly-owned subsidiary of Aero. The business and operations of Aero (including Pegasus) will continue to be managed from Aero's current head office located at Suite 918, 1030 West Georgia Street Vancouver, BC V6E 2Y3.

Upon completion of the Arrangement and the Urano Arrangement, Aero is expected to continue under the name "Manhattan Uranium Discovery Corp." and trade under the symbol "MANU" on the TSXV.

Corporate Structure

The corporate structure of Aero post-Arrangement following the completion of the Arrangement will be identical to that set out in Schedule "E" hereto, except that Aero will own 100% of the issued and outstanding Pegasus Shares.

Description of Share Capital

The authorized share capital of Aero post-Arrangement will be the same as the currently authorized share capital of Aero and the rights associated with each Aero Share post-Arrangement will be the same as the rights associated with each Aero Share. Aero post-Arrangement will have an unlimited number of Aero Shares authorized for issuance. Upon completion of the Arrangement ((i) including the issuance of the expected advisory units to Eventus Capital Corp. (the "**Aero Advisory Units**") in respect of the Arrangement but (ii) not including the completion of the Urano Arrangement, the issuance of Advisory Units in respect of the Urano Arrangement and the conversion of Aero's subscription receipts expected to be issued on or about March 31, 2026 as part of the Concurrent Financing (the "**Aero Subscription Receipts**")), it is anticipated that there will be 43,175,607 Aero Shares issued and outstanding.

The non-brokered private placement of Aero Subscription Receipts may not close as described in Schedule "E" hereto, may close on different terms than those described in Schedule "E" hereto or may not close at all.

For a description of the share capital of Aero and the rights attached to the Aero Shares see "*Information Concerning Aero – Outstanding Securities*" and "*Information Concerning Aero – Description of the Aero Shares*" in Schedule "E" hereto.

Stock Exchange Listings

On completion of the Arrangement, Aero Shares will continue trading on the TSXV and the Pegasus Shares are expected to be de-listed from the TSXV as soon as practicable following the Effective Date. Pegasus

will also seek to be deemed to have ceased to be a reporting issuer (or the equivalent) under the securities legislation of each of British Columbia and Alberta. Aero has applied to have the Aero Shares issuable pursuant to or as a result of the Arrangement listed on the TSXV. Listing will be subject to Aero fulfilling all of the requirements of the TSXV, which requirements are expected to be met on the Effective Date or as soon as reasonably practicable thereafter.

Post-Arrangement Shareholdings and Principal Shareholders

It is expected that, pursuant to the Arrangement, Shareholders will receive approximately 5,316,631 Aero Shares in exchange for the outstanding Pegasus Shares. Additionally, there will be approximately 209,475 Aero Shares issuable to holders of Replacement Options and approximately 1,428,851 Aero Shares issuable to holders of Pegasus Warrants. In each case, the foregoing figures are subject to adjustment based on rounding of fractional shares issuable to individual Shareholders.

Based on these figures (on a non-diluted basis), immediately following completion of the Arrangement,

- (i) including the issuance of Aero Advisory Units in respect of the Arrangement but (ii) not including the completion of the Urano Arrangement, the issuance of the Advisory Units related to the Urano Arrangement and the issuance and conversion of the Aero Subscription Receipts;

    - existing Aero Shareholders are expected to hold approximately 87.57%;
    - Shareholders are expected to hold approximately 12.30%; and
    - the recipient of the Aero Advisory Units are expected to hold approximately 0.13%.

    of the issued and outstanding Aero Shares on a non-diluted basis.

- including the issuance of Aero Advisory Units in respect of the Arrangement, the completion of the Urano Arrangement, the issuance of the Advisory Units related to the Urano Arrangement and the issuance and conversion of the Aero Subscription Receipts;

    - existing Aero Shareholders and the holders of the Aero Subscription Receipts are expected to hold approximately 58.11%;
    - Urano shareholders are expected to hold approximately 36.63%;
    - Shareholders are expected to hold approximately 4.82%; and
    - the recipient of the Aero Advisory units are expected to hold approximately 0.44%.

    of the issued and outstanding Aero Shares on a non-diluted basis.

The non-brokered private placement of Aero Subscription Receipts may not close as described in Schedule “E” hereto, may close on different terms than those described in Schedule “E” hereto or may not close at all.

To the knowledge of the directors and executive officers of Aero, following completion of the Arrangement, there will be no Person or company that beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of Aero carrying 10% or more of the voting rights attached the voting securities of Aero.

Pro-Forma Fully Diluted Share Capital

The following table sets out the fully diluted share capital of Aero after giving effect to the Arrangement:

Description	Number of Aero Shares	Percentage of Total Post-Arrangement Aero Shares (on a fully-diluted basis)	
		Pegasus Arrangement	Pegasus Arrangement and Urano Arrangement
Pre-Arrangement Aero Shares	37,858,976	76.26%	25.71%
Aero Shares reserved for issuance upon exercise of Aero Options	884,044	1.78%	0.60%
Aero Shares reserved for issuance upon exercise of Aero Warrants	3,836,069	7.73%	2.61%
Aero Shares reserved for issuance upon conversion of Aero Subscription Receipts expected to be issued on or about March 31, 2026 as part of the Concurrent Financing (1)	26,249,999	-	17.83%
Aero Shares reserved for issuance upon exercise of Aero Warrants issued upon conversion of Aero Subscription Receipts expected to be issued on or about March 31, 2026 as part of the Concurrent Financing (1)	26,249,999	-	17.83%
Aero Shares underlying finder's Aero Warrants expected to be issued in connection with the Concurrent Financing	1,111,649	-	0.75%
Approximate Aero Shares issued to Urano Shareholders pursuant to the Urano Arrangement	40,415,960	-	27.45%
Approximate Aero Shares reserved for issuance upon exercise of Urano Replacement Options	1,118,000	-	0.76%
Approximate Aero Shares reserved for issuance upon exercise of Urano Warrants	1,588,115	-	1.1.08%
Expected Aero Shares comprising Aero Advisory Units issued in connection with the Urano Arrangement (2)	430,814	-	0.29%
Expected Aero Shares reserved for issuance upon exercise of Aero Warrants comprising Aero Advisory Units issued in connection with the Urano Arrangement (2)	430,814	-	0.29%
Approximate Aero Shares issued to Pegasus Shareholders pursuant to the Arrangement	5,316,631	10.71%	3.61%
Approximate Aero Shares reserved for issuance upon exercise of Pegasus Replacement Options	209,475	0.42%	0.14%
Approximate Aero Shares reserved for issuance upon exercise of Pegasus Warrants	1,428,851	2.88%	0.97%
Expected Aero Shares comprising Aero Advisory Units issued in connection with the Arrangement (3)	56,686	0.11%	0.04%

Description	Number of Aero Shares	Percentage of Total Post-Arrangement Aero Shares (on a fully-diluted basis)	
		Pegasus Arrangement	**Pegasus Arrangement and Urano Arrangement**
Expected Aero Shares reserved for issuance upon exercise of Aero Warrants comprising Aero Advisory Units issued in connection with the Arrangement [(3)]	56,686	0.11%	0.04%
Total (Arrangement):	**49,647,418**		
Total (Arrangement and Urano Arrangement):	**147,242,768**		

Notes:

(1) The non-brokered private placement of Aero Subscription Receipts may not close as described in Schedule "E" hereto, may close on different terms than those described in Schedule "E" hereto or may not close at all.

(2) The Advisory fee payable to Eventus Capital Corp. in respect of the Urano Arrangement is approximately $503,721, of which a maximum of $377,791 is payable in Advisory Units at a price of $0.40 per Advisory Unit (equivalent to 944,476 Advisory Units. Each Advisory Unit is comprised of one Aero Share and one Aero Warrant, with each Aero Warrant exercisable at a price of $0.60 until the date that is two years following issuance. Aero expects to issue 430,814 Advisory Units in respect of the Urano Arrangement.

(3) The Advisory fee payable to Eventus Capital Corp. in respect of the Arrangement is approximately $66,279, of which a maximum of $49,709 is payable in Advisory Units at a price of $0.40 per Advisory Unit (equivalent to 124,273 Advisory Units). Each Advisory Unit is comprised of one Aero Share and one Aero Warrant, with each Aero Warrant exercisable at a price of $0.60 until the date that is two years following issuance. Aero expects to issue 56,686 Advisory Units in respect of the Arrangement.

Mining Properties

Upon completion of the Arrangement, Aero's material properties will be the Murmac Project and the Strike Project.

Upon completion of the Urano Arrangement, Aero's material properties will be the Murmac Project, the Strike Project and the I-70 Uranium Project.

Murmac Project and Strike Project

For information regarding Aero's Murmac Project and the Strike Project, please see "*Information Concerning Aero – Mineral Projects*".

I-70 Uranium Project

The following summary of Urano's I-70 Uranium Project was reviewed and approved Jacob Anderson, CPG, MAusIMM, Resource Geologist with Dahrouge Geological Consulting USA Ltd., who is independent of both Pegasus and Aero and is a "Qualified Person" as defined under National Instrument 43-101 and Regulation S-K 1300.

Property Description and Location

The I-70 Uranium Project is located in east-central Emery County, Utah, approximately 149 air miles southeast of Salt Lake City and approximately 12 air miles west of the town of Green River, Utah. The I-70 Uranium Project lies within the San Rafael Uranium District, also referred to as the Green River District. The I-70 Uranium Project is located within Township 21 South, Range 14 East, Sections 14, 15, 22, 23, 26, 27, 34 and 35, of the Salt Lake Principal Meridian.

Mineral Tenure

The Property consists of 78 federal unpatented lode mining claims that were located on land administered by the U. S. Bureau of Land Management (BLM) and covers approximately 1,608 acres. As the result of a 2025 land swap between the BLM and the Utah Trust Lands Administration (TLA) as mandated in the 2019 John D. Dingell, Jr. Conservation, Management, and Recreation Act (Dingell Act), Urano's lode mining claims located in Sec 14, 23, 26, 27 and 34, plus the E1/4 of Sec 22, and 27, and the SE 1/4, of the SE ¼, all in Township 21 South and Range 14 East, Salt Lake Meridian are now located on Trust Lands where surface and mineral rights are administered by the TLA. The balance of the claims is located on public lands where both surface and mineral rights are controlled by the federal government. As holder of the unpatented mining claims, Urano has the right to explore and develop mineral resources subject to compliance with applicable federal, state, and environmental regulations, including those under the National Environmental Policy Act (NEPA).

Property	Lode Claims	Area (acres)	Area (km²)
Four Corners	49	1,009	4.08
Snow-Probe	29	599	2.42
Total	78	1,608	6.50

Table 1. I-70 Uranium Project claim group summary

Royalties and Encumbrances

Urano acquired the Four Corners Property on December 5, 2024 as part of a package of properties acquired from the Kimmerle group. The Snow-Probe Property was acquired from enCore Energy Corp. on October 7, 2025. The vendors of the Four Corners Property retain a 1% gross royalty on uranium production and a 10% net smelter return royalty on vanadium produced from the property. No royalties are associated with the Snow-Probe Property.

Broader Portfolio Tenure Context

The Urano Energy property portfolio consists primarily of unpatented mining claims located on federal land administered by the Bureau of Land Management. Claims are maintained through payment of annual claim maintenance fees and filing of required documentation with the BLM and applicable county offices. The Company's land position currently consists of approximately 25 property blocks comprised of multiple individual mining claims located within the Colorado Plateau uranium province.

Accessibility, Climate, Local Resources and Infrastructure

The I-70 Uranium Project is located in east-central Emery County, Utah, approximately 12 air miles west of the town of Green River and approximately 149 air miles southeast of Salt Lake City. Access to I-70 Uranium Project is primarily via Interstate Highway 70, which passes immediately south of the I-70 Uranium

Project area. A network of maintained gravel roads and historical mine access roads provide access throughout the claim blocks.

The region is characterized by a semi-arid desert climate typical of the Colorado Plateau, with hot summers, cool winters, and generally low annual precipitation. Field operations can typically be conducted year-round, although winter snow and occasional seasonal storms may temporarily restrict access to some areas.

The town of Green River provides basic services, accommodations, fuel, and supplies required for exploration activities. Additional services, equipment suppliers, and transportation infrastructure are available in larger regional centers including Moab, Price, and Salt Lake City.

There is no permanent infrastructure currently located within the I-70 Uranium Project boundaries. However, the surrounding region contains significant infrastructure associated with historical uranium mining operations, including maintained access roads, historical mine workings, and proximity to former uranium processing facilities. Historically mined ore from the district was transported to the Atlas uranium mill located in Moab, Utah.

Several historic underground mine workings, including adits and shafts associated with the Snow and Probe mines, are located within I-70 Uranium Project area. These workings were reclaimed following mine closure in the early 1980s.

History

The I-70 Uranium Project lies within the San Rafael Uranium District, an area with a long history of uranium and vanadium exploration and mining dating back to the late nineteenth century.

Uranium-vanadium mineralization within the Salt Wash Member of the Morrison Formation was first discovered in outcrop by sheepherders in approximately 1880 within what later became known as the Tidwell Mineral Belt. Early exploration and small-scale mining occurred intermittently between 1900 and 1911, followed by sporadic activity until the late 1940s.

Exploration activity increased significantly after 1948 when uranium prices rose in response to procurement programs established by the United States Atomic Energy Commission (AEC). During this period numerous shallow uranium deposits were discovered and developed throughout the San Rafael District. Between 1948 and 1956 production increased rapidly, reaching approximately 60,584 tons of ore averaging approximately 0.25% U_3O_8 and 0.44% V_2O_5.

Exploration drilling conducted by the AEC and private industry during the 1950s extended discoveries to greater depths. Subsequent drilling programs identified larger deposits occurring down dip to the east of earlier surface discoveries. Underground mine development followed these discoveries and numerous mines were developed within the district.

In 1958 the AEC modified its uranium procurement program, which resulted in a reduction in uranium production across the district. Mining activity declined gradually until approximately 1971 when most mining operations ceased.

Exploration activity resumed in the late 1960s and early 1970s when renewed uranium demand led to additional drilling programs targeting deeper sandstone horizons within the Morrison Formation. Drilling conducted during this period extended known mineralization down dip to depths exceeding several hundred feet.

Atlas Corporation conducted extensive exploration drilling within I-70 Uranium Project area during the 1960s and 1970s and subsequently developed several underground mines including the Snow and Probe mines. The Snow Mine was developed beginning in 1973 with a shaft sunk to a depth of approximately 640 feet.

Production from the Snow Mine commenced in March 1973. The Probe Mine was developed beginning in 1976 with a shaft reaching approximately 850 feet depth.

Production from the Snow Mine totaled approximately 650,292 pounds of U_3O_8 at an average grade of 0.188% U_3O_8. The Probe Mine operated for approximately three years between 1979 and 1982 and produced approximately 293,985 pounds of U_3O_8 at an average grade of 0.186% U_3O_8. Ore produced from these mines was transported to the Atlas uranium processing mill located in Moab, Utah.

Production within the San Rafael District largely ceased following closure of the Snow and Probe mines in 1982 and the subsequent shutdown of the Atlas Moab uranium mill in 1984. In total, more than 4 million pounds of uranium and 5.4 million pounds of vanadium were produced from over fifty mines within the district.

Urano Energy Corp. acquired the Four Corners Property in December 2024 and the Snow-Probe Property in October 2025. Since acquisition, the Company has focused primarily on compiling historical exploration data and validating historical drill hole locations in preparation for future exploration programs. No drilling, mine development, or mining activities have been conducted by Urano on the Property to date.

Regional Geological Setting

Colorado Plateau Uranium Province

The Urano Energy property portfolio is located within the Colorado Plateau uranium province, one of the most significant uranium-producing regions in the United States. The Colorado Plateau covers approximately 336,000 km² across portions of Utah, Colorado, Arizona, and New Mexico, and is characterized by relatively undeformed sedimentary strata that range in age from Paleozoic to Cenozoic.

Uranium mineralization within the Colorado Plateau occurs primarily as sandstone-hosted deposits associated with fluvial sedimentary systems deposited during the Triassic and Jurassic periods. These deposits have historically been an important domestic source of uranium and vanadium in the United States.

The plateau is composed of a sequence of gently dipping sedimentary formations that were deposited in continental environments including river systems, floodplains, and desert environments. These formations were later uplifted during the Laramide Orogeny (approximately 80–40 Ma), resulting in the broad plateau structure observed today.

Major structural features within the region include the San Rafael Swell, the Monument Upwarp, the Lisbon Valley anticline, and the Paradox Basin. These structures locally influence the distribution of sedimentary facies and groundwater flow systems that are important controls on uranium mineralization.

Stratigraphy

The primary uranium-hosting formations within the region include the Triassic Chinle Formation and the Jurassic Morrison Formation, both of which contain sedimentary environments favorable for uranium deposition.

Chinle Formation (Triassic)

The Chinle Formation consists of fluvial and floodplain deposits composed of sandstones, siltstones, mudstones, and conglomerates. Uranium mineralization within the Chinle Formation is often associated with channel sandstones containing abundant organic material and plant debris. Mineralization is commonly localized at contacts between permeable sandstone channels and less permeable mudstone units.

Morrison Formation (Jurassic)

The Morrison Formation is the most important uranium host formation within the Colorado Plateau. It consists of the Salt Wash Member, which is dominantly fluvial sandstone and historically the most productive uranium horizon, and the Brushy Basin Member, a mudstone-dominated unit that locally contains uranium mineralization associated with volcanic ash alteration and clay mineralization. Most sandstone-hosted uranium deposits within the Morrison Formation occur within the Salt Wash Member, where mineralization is localized within channel sandstone bodies that acted as conduits for mineralizing fluids.

District-Scale Uranium Mineralization

Several uranium districts occur within the region covered by the Urano Energy property portfolio. The Lisbon Valley district in San Juan County has historically hosted numerous uranium and vanadium deposits associated with the Triassic Chinle Formation and is structurally influenced by the Lisbon Valley anticline. The Uravan district in southwestern Colorado has historically produced uranium from many deposits associated with the Jurassic Morrison Formation. The San Rafael Swell is a large structural uplift in Emery County, southeastern Utah that exposes an extensive sedimentary sequence prospective for uranium mineralization and includes the I-70 Uranium Project area.***Deposit Types***

The exploration properties held by Urano Energy Ltd. are prospective for sandstone-hosted uranium deposits, the most common uranium deposit type within the Colorado Plateau uranium province.

Sandstone-hosted uranium deposits occur in continental sedimentary basins where uranium-bearing groundwater migrates through permeable sandstone units and uranium precipitates when the oxidizing fluids encounter chemically reducing environments. These reducing environments are commonly created by the presence of organic material, sulfide minerals, carbonaceous debris, or reduced iron minerals within the host rock. The resulting mineralization typically forms tabular bodies or roll-front geometries within permeable sandstone horizons.

Sandstone-Hosted Uranium Deposits

Sandstone-hosted uranium deposits are typically found within fluvial sedimentary systems where permeable channel sandstones act as pathways for groundwater flow. Uranium is transported in oxidized groundwater as soluble uranium complexes. When these fluids encounter reducing conditions within the rock, uranium precipitates as uranium minerals. Common uranium minerals include uraninite, coffinite, carnotite, and tyuyamunite.

Roll-Front Deposits

Roll-front deposits form where oxidizing groundwater carrying dissolved uranium encounters a reducing environment within the host rock. At this boundary, uranium precipitates and accumulates along curved mineralization fronts that follow the interface between oxidized and reduced rock. These deposits may extend for hundreds to thousands of metres along favorable stratigraphic horizons.

Tabular Deposits

Tabular deposits typically occur within sandstone channel bodies and are often associated with organic material or carbonaceous debris that provides reducing conditions necessary for uranium precipitation. These deposits tend to form relatively flat mineralized bodies that conform to the geometry of the host sandstone unit. Many historic uranium deposits within the Morrison Formation of the Colorado Plateau were mined from tabular mineralized zones associated with channel sandstone systems.

Exploration Implications

The exploration strategy for the Urano Energy property portfolio is based on identifying geological environments favorable for sandstone-hosted uranium mineralization, including permeable fluvial

sandstone units, evidence of historic uranium mineralization or radiometric anomalies, reduction-oxidation interfaces within the host rock, organic-rich sedimentary horizons, and structural features that influence groundwater flow pathways.

Property Geology and Mineralization

Uranium-vanadium mineralization on the I-70 Uranium Project is hosted within fluvial sandstone units of the Salt Wash Member of the Upper Jurassic Morrison Formation, which is overlain by the Brushy Basin Member of the Morrison Formation.

The Salt Wash Member consists primarily of medium- to coarse-grained channel sandstones deposited in a fluvial environment. These sandstones occur as lenticular channel bodies typically ranging from approximately 10 to 15 feet in thickness and locally aggregating into thicker sandstone packages up to approximately 30 to 80 feet thick.

Uranium-vanadium deposits within I-70 Uranium Project area are peneconcordant, channel-controlled, sandstone-hosted deposits, which occur as tabular or lens-shaped bodies generally conformable with the sedimentary structures of the host rock. Mineralization typically occurs within the basal portions of channel sandstones where permeability contrasts and concentrations of organic material provide favorable conditions for uranium precipitation.

Ore minerals commonly occur as pore-filling or replacement mineralization within sandstone and may include uranium minerals such as coffinite and uraninite along with vanadium minerals including corvusite. In oxidized near-surface environments uranium may occur as secondary minerals such as tyuyamunite.

Individual mineralized bodies historically mined within the district ranged from several tens of feet to approximately 200 feet in length and commonly consisted of a central higher-grade zone approximately 1.5 to 2.0 feet thick surrounded by lower-grade mineralization above and below. Historically mined ore thicknesses generally ranged from approximately 3.5 to 5.5 feet.

Historically mined grades within the district varied depending on market conditions and cut-off grades applied at the time. Early mining operations during the 1950s targeted higher grade material averaging approximately 0.35% U_3O_8, whereas later mining operations during the 1970s and early 1980s mined ore averaging approximately 0.18% to 0.19% U_3O_8.

Mineralized bodies commonly occur in clusters along favorable channel trends and may occur in zones extending up to approximately 500 feet in length. Individual deposits historically ranged from approximately 2,000 to 20,000 tons, with clusters of deposits totaling up to approximately 100,000 tons of mineralized material.

Across the I-70 Uranium Project the mineralized horizon transitions from oxidized uranium mineralization exposed near surface in the western portion of the property to reduced primary uranium mineralization occurring at depth toward the eastern portion of the property where the Snow and Probe deposits occur at depths exceeding several hundred feet below surface. This transition reflects the gentle eastward dip of the Morrison Formation across I-70 Uranium Project area.

The geological characteristics of the mineralization present within the I-70 Uranium Project are consistent with the sandstone-hosted uranium-vanadium deposit model widely recognized throughout the Colorado Plateau region.

Exploration History and Current Exploration

Regional Exploration History

Uranium exploration within the Colorado Plateau began in the early 20th century but expanded significantly during the uranium boom of the 1940s through the 1970s, when uranium demand increased dramatically due to nuclear weapons development and later nuclear power generation. During this period, numerous exploration companies and government programs conducted extensive uranium exploration throughout the region. Exploration activities commonly included geological mapping, radiometric surveys, trenching and prospecting, drilling programs, and development of small underground mines.*Urano's Property Acquisition and Exploration Strategy*

Urano's strategy has primarily focused on acquiring a portfolio of uranium properties with known drill defined uranium deposits with associated historical reserve and resource estimates, and that are located in brown field areas, rather than on exploration properties in greenfield areas with no known mineral resources. Eighteen of Urano's twenty-one properties host drill defined mineralized deposits with historical estimated uranium, some with vanadium, indicated and inferred resources. Therefore its "exploration" activities focus on: 1. Confirming the location of previously drill-defined uranium deposits, for which the Company has drill hole maps showing deposit locations, depths, thickness and U3O8 grade. These maps provide the basis for historical uranium reserve and resource estimates held by the Company for the drill-defined uranium (and in some cases uranium-vanadium) deposits. For some of its properties, the Company also has historical maps of mine workings previously developed in conjunction with the drill-defined deposits. 2. Conducting confirmation drilling, together with down-hole radiometric and other surveys, to confirm the location, thickness and U3O8 grades of uranium deposits encountered by historic drill holes as recorded in the Company's records and that were used to prepare the Company's historical reserve and resource estimates, and 3. Follow-up delineation or exploration drilling to define extensions away from the already drill-defined mineralized bodies. Where drill results encounter favorable mineralized zones, they may potentially be used to increase the Company's estimated uranium resource base. In planning this drilling, the Company's staff will locate drill sites using its records of past exploration together with its knowledge of sandstone-hosted uranium-vanadium mineralization and its association with favorable channel sand systems and reduction-oxidation interfaces within the Cutler, Chinle and Morrison stratigraphic sequences.

I-70 Uranium Project Exploration

Exploration within the I-70 Uranium Project area has historically consisted primarily of drilling programs conducted by Atlas Corporation and earlier operators during the 1950s through early 1980s. These programs were designed to identify and delineate uranium-vanadium mineralization hosted within the Salt Wash Member of the Morrison Formation.

Historical exploration drilling programs focused on identifying mineralized channel sandstones associated with favorable stratigraphic horizons. Drilling programs conducted by Atlas extended known mineralization down dip and resulted in the discovery and development of several deposits within the San Rafael Uranium District, including the Snow and Probe mines located within the current I-70 Uranium Project boundaries.

Available historical records indicate that more than 1,000 exploration drill holes were completed within the broader project area by previous operators. Much of this drilling was documented on approximately fifty historical exploration maps that record drill hole collar locations, drill hole depths, and interpreted mineralized intercepts based on downhole radiometric logging results.

Since acquiring the Property, Urano has undertaken initial fieldwork to verify and document historical exploration data. This work has included a GPS survey of claim posts and efforts to locate and mark historical drill hole collar locations in the field. To date, approximately 100 to 150 historical drill hole collars have been identified and marked in the field with physical markers, although additional collars may be located with further fieldwork.

The Company's current exploration activities have focused primarily on compiling and digitizing historical exploration data. Historical drill hole locations, depths, and mineralized intercepts recorded on legacy maps have been digitized to support the development of a comprehensive exploration database.

The primary objective of this work is to construct a geospatial drill hole database that consolidates available historical exploration information into a format suitable for evaluation and integration into a future mineral resource model. Once completed, this database will allow the Company to evaluate the reliability and spatial distribution of historical drilling data and to define targets for a future confirmatory drilling program.

Future exploration programs are expected to focus on confirming historical drill results, testing extensions of known mineralized channel systems, and evaluating areas where historical drill holes intersected significant mineralization that was not subsequently followed up by additional drilling. No drilling has been completed by Urano on the I-70 Uranium Project since acquisition of the property.

Historical Mineral Resource Estimates

Historical records from Atlas Corporation indicate the presence of historically estimated uranium reserves within portions of the I-70 Uranium Project area, including the Four Corners and Snow-Probe deposits.

Atlas Corporation reported historical “Indicated” and “Inferred” uranium reserves for several deposits within the San Rafael River District during the early 1980s based on drilling, underground development, and production data available at the time. These estimates were prepared using reserve classification systems common in the industry during that period.

Deposit	Historical Indicated Reserves (tons)	Avg Grade (% U_3O_8)	Contained U_3O_8 (lbs)	Historical Inferred Reserves (tons)	Avg Grade (% U_3O_8)	Contained U_3O_8 (lbs)
Four Corners	95,339	0.13	247,711	466,666	0.15	1,400,000

Table 2. Historical reserve-style estimates reported for Four Corners

Deposit	Historical Indicated Reserves (tons)	Avg Grade (% U_3O_8)	Contained U_3O_8 (lbs)
Snow	30,421	0.23	139,466
Probe-North Snow	33,457	0.23	156,068
Total	63,878	0.23	295,534

Table 3. Historical indicated reserve-style estimates reported for Snow and Probe

These historical estimates were reported in Atlas internal reports and mine closure documentation prepared in the early 1980s.

The historical estimates were prepared prior to the implementation of National Instrument 43-101 and do not conform to current CIM Definition Standards for Mineral Resources and Mineral Reserves. The historical estimates should therefore not be relied upon as current mineral resources or mineral reserves.

A Qualified Person has not completed sufficient work to classify the historical estimates as current mineral resources, and Urano Energy Corp. is not treating these historical estimates as current mineral resources or mineral reserves.

However, the historical estimates are considered relevant as they demonstrate the presence of uranium mineralization within the I-70 Uranium Project area and provide a basis for further exploration and evaluation of the property.

Interpretation and Conclusions

The geological setting of the I-70 Uranium Project is consistent with the well-established sandstone-hosted uranium-vanadium deposit model recognized throughout the Colorado Plateau region. Uranium mineralization within I-70 Uranium Project area occurs within channelized sandstones of the Salt Wash Member of the Morrison Formation and exhibits characteristics typical of deposits historically mined within the San Rafael Uranium District.

Historical exploration and mining activity within the district demonstrates the presence of significant uranium-vanadium mineralization associated with favorable sandstone channel systems. The Snow and

Probe mines located within the I-70 Uranium Project area were among the larger producers within the district and confirm the presence of economically significant uranium mineralization within the property boundaries.

Historical drilling programs conducted by Atlas Corporation and other operators defined several mineralized zones and deposits across I-70 Uranium Project area. Available historical records indicate that numerous areas of mineralization were partially delineated by drilling but were not fully developed or mined prior to the closure of mining operations in the early 1980s.

Compilation of historical drilling data suggests that the property contains multiple areas with potential for additional uranium mineralization, including drill-defined mineralized zones that remain unmined and areas where isolated drill holes intersected significant mineralization that was not subsequently followed up by offset drilling.

Urano's current exploration activities have focused on compiling and validating the extensive historical drilling database associated with I-70 Uranium Project. Construction of a comprehensive digital drill hole database will allow the Company to evaluate the spatial distribution of historical drilling and define areas requiring additional exploration.

The I-70 Uranium Project is therefore considered an early-stage exploration property with potential for the discovery of additional uranium mineralization within favorable sandstone channel systems. At the portfolio scale, the broader Urano Colorado Plateau land package provides additional district-scale optionality in historically productive uranium belts, particularly within Lisbon Valley and Yellow Cat.

Recommendations

Based on the available historical data and current understanding of the geological setting of the I-70 Uranium Project, the following exploration activities are recommended.

1. Completion of Historical Drill Database Compilation. Continue the digitization and validation of historical drill hole data, including collar locations, drill hole depths, and mineralized intercepts derived from historical maps and logs.

2. Geological and Structural Interpretation. Develop a three-dimensional geological interpretation of the Salt Wash sandstone channels and associated mineralized horizons using available historical drilling data.

3. Confirmatory Drilling Program. Conduct a confirmatory drilling program designed to verify historical drill results and evaluate the continuity of mineralized channel systems identified in historical drilling.

4. Resource Evaluation. Upon completion of sufficient confirmatory drilling and database validation, undertake a mineral resource evaluation consistent with current CIM Definition Standards.

5. Portfolio Prioritization. Continue ranking the wider Colorado Plateau portfolio so that available technical, GIS, and historical mine data can be concentrated first on the most mature and disclosure-relevant properties.

These exploration activities are expected to provide the geological and analytical data required to evaluate the mineral resource potential of the I-70 Uranium Project and to support future resource estimation work.

Escrowed Securities

Following the completion of the Arrangement, there will be no Aero securities held in escrow or subject to contractual restrictions on transfer.

Directors and Officers

Upon completion of the Arrangement and the Urano Arrangement, the Aero Board is expected to be comprised of the following five directors: William M. Sheriff, Galen McNamara (existing), John Hamrick, Grace Marosits (existing), and Garrett Ainsworth (existing), and Aero is expected to be managed by Galen McNamara as CEO (existing), Carson Halliday as CFO (existing), and Christian Timmins as VP Corporate Development.

Information regarding Galen McNamara, Grace Marosits, and Garrett Ainsworth may be found in Schedule "E" – "*Information Concerning Aero – Directors and Officers*". William M. Sheriff and John Hamrick are expected to be appointed upon completion of the Urano Arrangement. Christian Timmins is expected to be appointed upon completion of the Arrangement. William M. Sheriff, current director of Urano, will beneficially own, directly or indirectly, or exercise control or discretion over, approximately 455,800 Aero Shares on a post-Urano Arrangement basis. Mr. Sheriff's principal occupation in the past five years has been Executive Chair of the Board of C2C Gold Corp. since June 2022; Director and Chairman of enCore Energy Corp. since October 2009 and Executive Chairman since January 2019. John Hamrick, current director of Urano, will not beneficially own, directly or indirectly, or exercise control or discretion over, any Aero Shares on a post-Arrangement basis. Mr. Hamrick's principal occupation in the past five years has been in connection with senior leadership positions at notable organizations including Umetco Minerals Corporation, Energy Metals Corp., and Cotter Corporation. He also served as Chairman of the Uranium Environmental Subcommittee of the National Mining Association, where he led industry engagement with federal regulators and presented proposed changes to the Environmental Protection Agency and Nuclear Regulatory Commission. In addition to his industry accomplishments, Mr. Hamrick has demonstrated long-standing interest in serving communities which includes serving as Cañon City Mayor Pro Tem, a city councillor, and chair or member of numerous boards and commissions. Christian Timmins, current CEO, President and a director of Pegasus, will beneficially own, directly or indirectly, or exercise control or discretion over, approximately 156,913 Aero Shares on a post-Arrangement basis. Mr. Timmins' principal occupation in the past five years has been CEO and President of Pegasus.

As at the date of this Information Circular, the directors and officers of Pegasus do not beneficially, directly or indirectly or own any Aero Shares and Aero directors and officers do not beneficially, directly or indirectly or own any Pegasus Shares. As at the date of this Information Circular, it is anticipated that the expected directors and executive officers of Aero immediately following the Arrangement ((i) including the conversion of Aero's subscription receipts and the issuance of the expected Advisory Units in respect of the Arrangement and (ii) the completion of the Urano Arrangement), as a group will own beneficially, or control or direct, directly or indirectly, 2,319,429 Aero Shares, or 2.11% of the issued and outstanding Aero Shares.

To Aero's knowledge, no proposed director or executive officer of Aero immediately following the Arrangement is, as at the date hereof, or was, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Aero) that:

(a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued while that person was acting in that capacity;

(b) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the proposed director ceased to act in that capacity, and which resulted from an event that occurred while that person was acting in that capacity; or

(c) while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director, chief executive officer or chief financial officer of Aero immediately following the Arrangement is, or has been, within the 10 years prior to the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director, chief executive officer or chief financial officer of Aero immediately following the Arrangement has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Risk Factors

For a discussion of risk factors, see the risks described under "*The Arrangement - Arrangement Risk Factors*" in the Information Circular and under "*Risk Factors*" in the section "*Information Concerning Aero*" attached as Schedule "E" hereto, in Aero's Management's Discussion and Analysis for the six months ended October 31, 2026 attached as Exhibit "B" of Schedule "E" hereto, as well as the other information described in the Information Circular and the other documents incorporated by reference therein.

Executive Compensation

Other than as disclosed below, following the completion of the Arrangement, it is expected that Aero will maintain its policies with respect to executive and director compensation. See Schedule "E" – "*Information Concerning Aero – Executive Compensation*".

Aero expects to enter into a consulting agreement with Christian Timmins in respect of his proposed engagement as VP Corporate Development of Aero. In consideration of Mr. Timmins' services, Aero expects to pay to Mr. Timmins $12,500 plus GST per month.

Audit Committee

The following are the proposed members of the Aero Audit Committee immediately following the Arrangement.

Grace Marosits (existing)	Independent	Financially literate (1)
Garrett Ainsworth	Independent	Financially literate (1)
John Hamrick	Independent	Financially literate (1)

Note:

(1) As defined by National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). For the purposes of NI 52-110, an individual is financially literate if they have the ability to read and understand a set of financial statements that present a breadth and

level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Aero's financial statements.

Each of the proposed Aero Audit Committee members has an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting. Each member has significant understanding of the business which Aero engages in and has an appreciation for the relevant accounting principles for that business. Specifically, the education and experience of each proposed Aero Audit Committee member that is relevant to the performance of his responsibilities as an Aero Audit Committee member is as follows:

Grace Marosits – Ms. Marosits is a Chartered Professional Accountant (CPA, CA) and holds a Bachelor of Commerce degree from the Sauder School of Business at the University of British Columbia. She currently serves as a director of Aero and TDG Gold Corp. and chairs the Audit Committee at both companies. She previously served as Chief Financial Officer of NexGen Energy Ltd., where she led financial operations as the company advanced from the TSXV to the TSX and NYSE and completed over $220 million in financings. She oversaw financial reporting, compliance, budgeting, cash management, and transition of internal controls to US regulatory standards. In prior roles, she held senior corporate accounting roles at Westcoast Energy Inc. (now part of Enbridge Inc.) and Ballard Power Systems and began her career at Deloitte in audit before advancing to the role of Tax Manager, gaining broad experience across corporate clients.

Garrett Ainsworth – Mr. Ainsworth is an accomplished professional geologist and mining executive that has been awarded for two significant mineral discoveries and has raised more than $300M in equity and convertible debt throughout his career. He was Vice President Exploration & Development at NexGen Energy Ltd. from 2014 to 2018, where he led the technical team and was involved with marketing and raising capital. For his technical work at NexGen, Mr. Ainsworth was co-recipient of the 2018 PDAC Bill Dennis Award, and the 2016 Mines and Money Exploration Award. Prior to NexGen, Mr. Ainsworth was the Vice President Exploration at Alpha Minerals Inc., and project managed the discovery of the Patterson Lake South high-grade uranium boulder field and drill discovery of the Triple R Uranium deposit.

Mr. Ainsworth was named co-recipient of the AMEBC Colin Spence Award in 2013 for his lead role in the discovery of Triple R. Mr. Ainsworth holds an Institute of Corporate Directors, Director (ICD.D) designation, and is a Professional Geoscientist (PGeo) in the Province of British Columbia. He also holds a Diploma of Technology in Mining and Bachelor of Technology in Environmental Engineering with honours from BCIT, and a Bachelor of Science in Geology with first class honours from Birkbeck, University of London.

John Hamrick - Mr. Hamrick is a metallurgical engineer with over 40 years of experience. Mr. Hamrick has held senior leadership positions at notable organizations including Umetco Minerals Corporation, Energy Metals Corp., and Cotter Corporation. He also served as Chairman of the Uranium Environmental Subcommittee of the National Mining Association, where he led industry engagement with federal regulators and presented proposed changes to the Environmental Protection Agency and Nuclear Regulatory Commission. In addition to his industry accomplishments, Mr. Hamrick has demonstrated long-standing interest in serving communities which includes serving as Cañon City Mayor Pro Tem, a city councillor, and chair or member of numerous boards and commissions.

Auditors

Dale Matheson Carr-Hilton LaBonte LLP will continue as the auditors of Aero following the Effective Date.

Transfer Agent and Registrar

The transfer agent and registrar for the Aero Shares will continue to be Computershare.

Interests of Experts

Jacob Anderson, CPG, MAusIMM, Resource Geologist with Dahrouge Geological Consulting USA Ltd., who is independent of Pegasus, Urano and Aero and is a “Qualified Person” as defined under NI 43-101 and Regulation S-K 1300, reviewed the summary information in connection with the I-70 Uranium Project.

None of the foregoing expert, nor any partner, employee or consultant of such an expert who participated in and who was in a position to directly influence the preparation of the applicable statement, report or valuation, has received or is expected to receive, registered or beneficial interests, direct or indirect, in Aero Shares representing 1% or more of the issued and outstanding Aero Shares or other property of Aero or any of its associates or affiliates.

SCHEDULE "G"

SECTIONS 237 TO 247 OF THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)

Division 2 – Dissent Proceedings

237. Definitions and application – (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291(2)(c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement, or

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238(1)(g), the court orders otherwise or the resolution provides otherwise.

238. Right to dissent – (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles to alter restrictions on the powers of the company or on the business it is permitted to carry on;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301(5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242(4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

239. Waiver of right to dissent – (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

240. Notice of resolution – (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

241. Notice of court orders – If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

242. Notice of dissent – (1) A shareholder intending to dissent in respect of a resolution referred to in section 238(1)(a), (b), (c), (d), © or (f) must,

(a) if the company has complied with section 240(1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240(3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240(1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238(1)(g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240(2) (b) or (3)(b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238(1)(h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

243. Notice of intention to proceed – (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1)(a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

244. Completion of dissent – (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242(4)© applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1)© must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

245. Payment for notice shares – (1) A company and a dissenter who has complied with section 244(1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244(1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2)(a) of this section, the company must

(a) pay to each dissenter who has complied with section 244(1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1)(b) or (3)(b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

246. Loss of right to dissent – The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

247. Shareholders entitled to return of shares and rights - If, under section 244(4) or (5), 245(4)(a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244(1)(b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244(6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

SCHEDULE "H"

FAIRNESS OPINION

[see attached]

FAIRNESS OPINION

from the Perspective of the Urano Energy Corp. & Pegasus Resources Inc. Shareholders

Assessing Fairness of the Proposed Separate Business Combination between Aero Energy Limited ("AERO") and Urano Energy Corp. ("UE")
and
Assessing the Fairness of the Proposed Separate Business Combination between Aero Energy Limited and Pegasus Resources Inc. ("PEGA")

AERO ENERGY + urano ENERGY

AERO ENERGY + PEGASUS RESOURCES INC.

Valuation Date: February 27, 2026
Report Date: March 7, 2026

Independently prepared Exclusively for the Boards of Urano Energy Corp. and Pegasus Resources Inc.
by Richard W. Evans, MBA, CBV, ASA of RwE Growth Partners, Inc.

RwE GROWTH PARTNERS, INC.

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APPENDICES AND SCHEDULES

1.0 ASSIGNMENT

RwE Growth Partners, Inc. ("RwE" or the "authors of the Report") was engaged by the Board of Directors (the "UE Board") of Urano Energy Corp. ("Urano" or "UE" - CSE:UE) and the Board of Directors of (the "PEGA Board") of Pegasus Resources Inc. ("Pegasus" or "PEGA" – TSX-V:PEGA) to prepare this Fairness Opinion (the "Report") regarding:

(1) UE's proposed combination with Aero Energy Limited ("Aero" or "AERO" - TSX-V:AERO) – referred to as the "AERO/UE Business Combination". This will involve AERO acquiring 100% of the issued and outstanding equity of UE. The details are outlined in the Definitive Arrangement Agreement between AERO and UE, signed February 27, 2026, a copy of which is included in Appendix 1.1.

(2) PEGA's proposed combination with Aero Energy – referred to as the "AERO/PEGA Business Combination". This will involve AERO acquiring 100% of the issued and outstanding equity of PEGA. The details are outlined in the Definitive Arrangement Agreement between AERO and PEGA, signed February 27, 2026, a copy of which is included in Appendix 1.2.

Neither the AERO/UE Combination nor the AERO/PEGA Combination is contingent upon the other combination closing and fairness of each has been reviewed separately. Although the proposed financing may be documented separately, it is announced concurrently with the AERO/UE Business Combination and the AERO/PEGA Combination and materially affects the ownership, capitalization, and financial position of the resulting issuer. It is thus appropriate to consider the financing as part of the fairness analysis from the perspective of UE and PEGA shareholders.

AERO, which previously completed its merger with Kraken Energy Corp., is listed for trading on the TSX-V Venture Exchange ("TSX-V") and has two principal uranium assets in Canada (Fortune Bay) and the U.S. UE is listed for trading on the Canadian Securities Exchange (the "CSE") and is conducting exploration on U.S. uranium projects (principal property is its I-70 Project) that are focused on the Colorado Plateau region across Utah and Colorado. PEGA is listed for trading on the TSX-V. Pegasus has started to explore its two principal assets, which are its 75%-owned Energy Sands Project and Jupiter Project, both located within the San Rafael Uranium District in Emery County, Utah. The initial March 2, 2026 announcement can be found here:
https://aeroenergy.ca/wp-content/uploads/2026/03/Aero_News-Release_2026-03-02.pdf
This included an announced financing of C$6.0 million. On March 4, 2026 the original announcement's financing amount was materially increased and can be found here: https://www.newsfilecorp.com/release/286282/Aero-Energy-Urano-Energy-and-Pegasus-Resources-Announce-Upsize-of-Financing-to-11.5-Million
The financing was increased to C$11.5 million.

The closing of the AERO/UE Combination and/or the AERO/PEGA Combination, which may include the Funding, will create a "Resulting Issuer" that is expected to continue under

the name "Manhattan Uranium Discovery Corp." and trade on the TSX-V under the symbol "MANU".

The exchange ratio and consideration that AERO is proposing with UE is as follows:

	Existing Outstanding UE Shares		UE FV/Share		FV of UE
	202,079,804	$	0.0925	$	18,692,382
	AERO Common Shares Exchanged for UE Common Shares		**AERO FV / Share**		**Consideration Received by UE from AERO**
	40,415,961	$	0.4719	$	19,072,292
Exchange Ratio	***0.2000***	***x***	***One UE Share for .2 AERO Shares***		
Exchange Ratio	***5.000***	***x***	***One AERO Share for 5.0 UE Shares***		
(approximate)	Transaction premium / inducement				2.0%

The exchange ratio and consideration that AERO is proposing with PEGA is as follows:

	Existing Outstanding PEGA Shares		PEGA FV/Share		FV of PEGA
	39,891,668	$	0.0627	$	2,501,208
	AERO Common Shares Exchanged for PEGA Common Shares		**AERO FV / Share**		**Consideration Received by PEGA from AERO**
	5,305,591	$	0.4719	$	2,503,708
Exchange Ratio	***0.1330***	***x***	***One PEGA Share for .133 AERO Shares***		
Exchange Ratio	***7.519***	***x***	***One AERO Share for 7.519 PEGA Shares***		
(approximate)	Transaction premium / inducement				0.1%

From the UE and PEGA shareholders' perspective, the proposed AERO/UE Combination and the proposed AERO/PEGA Combination will each be implemented through a statutory plan of arrangement under Division 5, Part 9 of the British Columbia Business Corporations Act (the "Arrangement").

It will be subject to requisite shareholder approval, B.C. Supreme Court sanction, and regulatory consents (CSE and the TSX-V).

All issued and outstanding UE and/or PEGA securities will be exchanged compulsorily for AERO common shares on the agreed exchange ratios as noted above, with dissent rights available to shareholders as prescribed by statute, ensuring that both the AERO/UE Combination and/or the AERO/PEGA Combination are effected in a fair, orderly, and transparent manner consistent with principles of procedural fairness, market participant assumptions, and equitable treatment of minority shareholders.

RwE has been advised by AERO, UE and PEGA Board Members the AERO/UE Combination and/or the AERO/PEGA Combination are all at arm's length in accordance with the policies of the CSE and the TSX-V (Policy 1.1) and the B.C. Securities Commission (the "Regulators"). The Regulators as well as the B.C. Supreme Court will all individually evaluate the fairness in the: (1) AERO/UE Combination; and the (2) AERO/PEGA Combination.

Given all of the above, the Report opines as to the fairness, from a financial point of view, to the:

1. Assessing Fairness of the Proposed Separate Business Combination between AERO and UE; and

2. Assessing the Fairness of the Proposed Separate Business Combination between AERO and PEGA

Outstanding warrants and options are being assumed or exchanged on substantially equivalent economic terms and therefore do not result in incremental value transfer between shareholder groups. For certainty, in accordance with their terms and the AERO/UE and AERO/PEGA Arrangement Agreements, each share purchase warrant of UE or Pegasus (the "UE Warrants" or the "PEGA Warrants") outstanding immediately prior to the effective time will thereafter entitle the holder to acquire, upon exercise, such number of AERO Shares as the holder would have received if the holder had exercised the UE Warrants and/or the PEGA Warrants immediately prior to the effective time of the AERO/UE Arrangement and/or the AERO/PEGA Arrangement, multiplied by the UE Exchange Ratio and/or the PEGA Exchange Ratio, respectively, at an exercise price adjusted in accordance with the UE Exchange Ratio and the PEGA Exchange Ratio, respectively. All other terms and conditions of the UE Warrants and the PEGA Warrants, including expiry dates and exercise provisions, will remain unchanged.

RwE assessed separately the AERO/UE Combination Share Exchange Ratio, the AERO/PEGA Combination Share Exchange Ratio on observable market prices including the 20-day volume weighted average prices of AERO, UE and PEGA to mitigate short-term volatility and reflects a relative value merger rather than a change-of-control acquisition. UE and PEGA separately engaged RwE. In both engagements UE and PEGA paid RwE a fixed professional fee, plus applicable taxes to prepare this Report. With relation to AERO, UE and PEGA, RwE is an independent valuation firm to all three entities and to the Boards of each of the firms.

RwE, its principals and partners, staff and associates, do not assume any type of responsibility and/or business/financial liability for losses incurred by AERO, UE and/or PEGA and/or any related shareholders or securityholders, AERO / US / PEGA (the "Parties") directors and/or its management, and/or any regulatory bodies and/or other parties as a result of the circulation, publication, reproduction, or use of the Report as well as any as any use contrary to the provisions of the Report and our engagement letter.

The Report is based on the scope of work that has been undertaken, the data and information provided by the Parties and the assumptions made.

RwE has not audited the information and data provided by the Parties, nor has it performed any forensic review, nor can it be expected to catch/identify fraud and/or misleading information from the Parties.

Instead, RwE has relied on the fact that the Parties have provided accurate and reliable data, which they each confirmed in separate signed Representation and Warranty Letters (collectively the "Rep Letter").

RwE also reserves the right to review all calculations included or referred to in the Report and, if RwE considers it necessary, to revise the Report in light of any information existing at, or that becomes known to us after, the Valuation Date (i.e., as at or near February 27, 2026) and/or the date of the Report.

RwE has assumed that all materials provided to it by AERO / UE / PEGA are free from material misstatement, and there are no unrecorded commitments or contingencies.

Unless otherwise indicated, all monetary amounts are stated in Canadian dollars (C$).

2.0 BRIEF BACKGROUND

Readers should obtain a description from AERO of its assets. This can be best found here: https://aeroenergy.ca/. Readers should note that AERO's does not have a full presentation / corporate deck active and/or available on its website. Readers should seek such information directly from AERO's Board Members.

Readers should obtain a description from UE of its assets. This can be best found here: https://uranoenergy.com/. Readers should note that UE's presentation/corporate deck can be found on its website. A breakdown of UE's projects, properties, geology, exploration status, and potential upside - based on current publicly available information.

Readers should obtain a description from PEGA of its assets. This can be best found here: https://www.pegasusresourcesinc.com/. Readers should note that PEGA's presentation / corporate deck can be found on its website. A breakdown of PEGA's projects, properties, geology, exploration status, and potential upside - based on current publicly available information.

Per the March 2, 2026 AERO News Release (copied from the news release):

Aero Project Overview

Aero, following its successful merger with Kraken Energy Corp., has established a robust portfolio of uranium assets across North America, strategically positioned to capitalize on surging demand for domestic uranium supply amid the American nuclear renaissance and uranium's designation as a critical mineral.

In Saskatchewan's world-class Athabasca Basin, Aero controls a district-scale land package on the north rim near Uranium City, including the Strike and Murmac projects (under option agreements with Fortune Bay Corp., where Aero can earn up to 70% interest). These assets feature over 50 shallow drill-ready targets across more than 100 km of prospective horizon. Recent drilling at Murmac's Howland Lake North target delivered a notable intercept of 8.4 m at 0.3% U_3O_8 (with peaks up to 13.8% U_3O_8 over 0.1 m) just 64 m below surface, confirming potential for shallow, high-grade, basement-hosted unconformity-style mineralization. Upcoming summer and winter programs at Murmac and Strike will further advance these underexplored targets with strong radon anomalies and historical high-grades.

Complementing the Canadian focus, Aero's U.S. portfolio includes the Apex Uranium Project in Nevada—100%-owned and recognized as the state's largest past-producing uranium mine, located 5 km south of Austin in Lander County, Apex benefits from excellent infrastructure (road access, electricity, water, <15 min from Highway 50). Mineralization targets a trend along contacts between Jurassic quartz monzonite and Paleozoic metasediments, enriched in fractures and breccias. An initial drill program is planned upon securing permits.Additionally, the Huber Hills Property in Nevada encompasses the historic Race Track open pit mine, further enhancing Aero's domestic exposure.

Additionally, the Huber Hills Property in Nevada encompasses the historic Race Track open pit mine, further enhancing Aero's domestic exposure.

Urano Project Overview

Urano is a mineral exploration company focused on advancing conventional uranium projects in the United States, with a strategic emphasis on the Colorado Plateau region—a historic powerhouse for uranium and vanadium mining spanning Utah and Colorado. The company holds a diversified portfolio of 23 properties totaling 25,099 acres comprising 1,117 unpatented mineral claims plus 3 Utah State mineral leases. These assets are situated across key mining districts, including the Uravan Mineral Belt, La Sal District, Lisbon Valley District, and San Rafael District. Fourteen properties feature a history of past production, with over two dozen former mine portals and shafts, and all exhibit known uranium mineralization in sandstone-hosted Colorado Plateau-type deposits within the Upper Jurassic Salt Wash Member of the Morrison Formation as well as the Triassic Chinle and Permian Cutler formations.

Urano's portfolio consolidates significant historical uranium resources and production legacy, positioning the company to capitalize on surging U.S. domestic demand for uranium as a critical mineral amid the American nuclear renaissance. Key highlights include:

- *I-70 Uranium Project (San Rafael District, Emery County, Utah): A core asset with extensive underground workings, active Small Mining Operations permit, and substantial historical data. Recent evaluations identify approximately 1.4 million pounds of historical uranium resources at ~0.13% U_3O_8, plus an additional 295,534 pounds remaining historical resource at 0.23% U_3O_8 from the acquired Snow and Probe Mines. The project has been expanded through strategic acquisitions, including from enCore Energy, boosting land position by ~60% and historical inventory. Urano is compiling data in preparation for a NI 43-101 report and prioritizing resource validation and exploration.*

- *Uravan Mineral Belt Properties (Colorado, including Uravan Districts): Host to the historic Uravan Mineral Belt, which has produced over 80 million pounds U_3O_8 and 400 million pounds V_2O_5 since 1945. Urano's holdings include advanced assets with drilled-out historical reserves/resources; recent reviews (e.g., Bachelor, Dulaney, and La Sal Creek projects) added ~477,000 historical pounds U_3O_8, contributing to a documented cumulative ~4.5 million pounds U_3O_8 historical reserve inventory across over half the portfolio (with potential for substantial growth via ongoing database analysis).*

- *Other Districts (La Sal, Lisbon Valley, La Sal Creek): Feature past-producing mines, known deposits, and high-priority targets in geologically favorable sandstone-hosted settings. Examples include historical estimates such as ~179,170 pounds U_3O_8 (Indicated and Inferred) at 0.26% in parts of La Sal Creek. Urano benefits from jurisdictions with streamlined permitting, access to extensive private historical databases and over 50 years of combined uranium expertise. The company is advancing permitting, resource confirmation, and exploration to unlock production potential from these underexplored yet infrastructure-rich assets, supporting North America's uranium independence.*

<u>Pegasus Project Overview</u>

Pegasus is a Canadian uranium exploration company advancing high-potential, drill-ready projects in the United States, with a primary focus on the prolific San Rafael Uranium District in Emery County, Utah. The company's flagship assets are the 100%-owned Energy Sands and Jupiter projects, strategically located within a top-tier mining jurisdiction ranked among the most favorable in the U.S. positioning Pegasus to capitalize on surging domestic uranium demand amid the American nuclear renaissance and uranium's critical mineral status.

- *Energy Sands Project: Fully permitted and 100%-owned, this asset spans approximately 1,500 acres in the San Rafael Uranium District, bordering Urano*

Energy's I-70 Uranium Project. It targets sandstone hosted uranium and vanadium mineralization typical of Colorado Plateau-style deposits in the Upper Jurassic Morrison Formation. Exploration has highlighted significant potential, including high-grade historical intercepts exceeding 2% and 3% U_3O_8. The project benefits from excellent infrastructure access and is poised for resource delineation and expansion through drilling, with strong complementary synergies to nearby assets like I-70.

- *Jupiter Uranium Project: Located just 3 km north of Energy Sands and also adjacent to Urano Energy's I-70 Uranium Project, Jupiter is a drill-ready and permitted property where Pegasus has secured 75% ownership (with the path to 100%). Acquired in 2024, the project consists of 34 unpatented claims. It features an extensive historical database from over 100 drill holes enabling rapid advancement toward a current resource estimate. The proximity to Energy Sands and I-70 allows for integrated exploration synergies, leveraging historical data and modern techniques to unlock resource potential in this underexplored yet proven district. These adjacent Utah projects consolidate a significant land position acres with historic underground workings and drilling, offering immediate exploration upside in a region with a rich uranium production history. Their adjacency to Urano's I-70 Project enhances synergies, enabling consolidated development strategies. Pegasus is advancing permitting, geological modeling, and drilling to define meaningful resources, supported by cost-efficient strategies and a commitment to strengthening North American uranium supply chains.*

- AERO – Property Technical Summaries:

    - Murmac Project (AERO flagship project) - This is an Athabasca Basin exploration project under option to earn ~70% interest, A deep-targeted unconformity-style uranium exploration property where airborne geophysics and ground sampling have outlined multiple graphitic conductor trends typical of Athabasca Basin uranium systems.

    - Strike Project - Adjacent Athabasca Basin uranium target under option, included in the NI 43-101 technical report framework, currently without a compliant mineral resource. An adjoining Athabasca Basin margin property with structurally controlled radiometric anomalies and conductive corridors analogous to known unconformity-hosted uranium deposits.

    - Apex Project: 100%-owned Nevada uranium exploration property targeting sandstone mineralization, with no NI 43-101 resource defined. A sandstone uranium prospect with broad fluvial sediment host units and radiometric targets consistent with roll-front uranium mineralization.

- Huber Hills Project - a 100% owned early-stage uranium exploration project in Nevada exhibiting sandstone hosted radioactivity and geochemical anomalies indicative of possible roll-front uranium systems.

- UE – Property Technical Summaries:

  - I-70 Uranium Project (Green River / San Rafael District, Utah) – A historically productive uranium mine area with extensive underground workings and historical production / reserve data (~≈295,000–1.4 M lbs U_3O_8 estimated from past operators) that Urano plans to prioritize for future confirmatory drilling and inclusion in a NI 43-101 technical report, although no current NI 43-101 mineral resource has yet been completed.

  - Melinda Project (San Rafael District, Utah) – A large, historically drilled project with significant radiometric anomalies and numerous drill intercepts from past exploration; mineralization has been historically outlined but Urano is progressing toward modern exploration. There is no NI 43-101 report.

  - Blue Jay Mine Project (La Sal District, Utah) – A historic uranium mine site now under Urano ownership with known uranium mineralization documented from earlier drilling and workings. It appears that additional exploration work is needed before any NI 43-101 resource can be defined. There is no NI 43-101 report.

  - Sun Uranium Project (Eastern Utah, between Uravan, Lisbon Valley and La Sal Districts) – A newly staked project with documented historic uranium occurrences. There is no NI 43-101 resource yet and exploration is at early target definition stage. There is no NI 43-101 report.

  - Beaman/Wilson Properties (Uravan Mining District, Colorado) – Historic uranium properties with known mineralization and past production in the Uravan Mineral Belt. Urano has acquired full interest and will require confirmatory work to support any future resource classification. There is no NI 43-101 report.

  - Other Acquired Colorado Plateau Properties (Various Historic Districts) – A group of 15 uranium properties across the Uravan, La Sal, and Lisbon Valley districts all with known historical mineralization and workings. These carry historical reserve estimates but require modern drilling and data validation before any mineral resources can be reported. There are no NI 43-101 reports on these properties.

  - Dulaney Property (Part of Utah Portfolio) – Contains historical estimated uranium-vanadium reserves and resources from previous operators (historical inventory totaling several hundred thousand pounds of U_3O_8). These are not NI 43-101 compliant and require confirmatory drilling and analysis for modern classification. There is no NI 43-101 report.

- All figures are derived from historical operator data and are not treated as current mineral resources under NI 43-101.

- NI 43-101 Status Summary. No current NI 43-101 compliant mineral resource has been publicly reported for any of Urano's properties yet. Historical reserve/resource data exist for several projects (e.g., I-70 and Dulaney), but these were prepared under legacy systems and are not treated as current NI 43-101 resources. Urano is undertaking work and planning to prioritize select properties for future NI 43-101 technical reporting once sufficient confirmatory exploration and geological validation are completed.

- PEGA – Property Technical Summaries:

  - Energy Sands Uranium Project (Utah, USA) - the Energy Sands Uranium Project is an early-stage sandstone-hosted uranium exploration property located in Utah within the Colorado Plateau uranium province. The project consists of a series of mineral claims prospective for sedimentary uranium mineralization typical of the regional uranium districts that historically supplied uranium-vanadium production. The property lies within a geological environment characterized by favorable stratigraphic units and regional structures known to host uranium deposits. Exploration work completed to date has been limited primarily to claim acquisition, regional geological assessment, and compilation of historical data. Additional geological mapping, geochemical sampling, and drilling will be required to evaluate the uranium potential of the property and to support any future mineral resource estimate.

  - Jupiter Uranium Project (Utah, USA) - the Jupiter Uranium Project is an early-stage uranium exploration property located in Utah within a historically productive uranium district of the Colorado Plateau region. Pegasus holds a 100% interest in the mineral claims comprising the project. The geological setting is considered prospective for sandstone-hosted uranium mineralization similar to deposits historically developed throughout the region. Exploration activities to date have primarily consisted of claim staking, regional geological review, and compilation of available historical geological information. No modern drilling or resource evaluation has yet been completed on the property, and additional exploration work will be required to confirm the presence, continuity, and economic significance of any uranium mineralization.

  - Historical Exploration - both the Energy Sands and Jupiter properties occur within geological environments that have historically supported uranium exploration and mining activity throughout the Colorado Plateau region. The region has produced significant uranium resources from sandstone-hosted deposits associated with sedimentary formations and structural controls. Historical exploration and production activity within nearby districts indicates the presence of favorable stratigraphy and mineralizing systems; however, the specific mineralization

potential of the Pegasus properties has not yet been confirmed through modern exploration programs.

- NI 43-101 Status – there is no current NI 43-101 Report and/or compliant mineral resource estimates have been reported for either the Energy Sands or Jupiter uranium projects. Any references to historical mineralization or regional production within the surrounding districts are based on publicly available historical records and are not considered current mineral resources or reserves as defined under NI 43-101. Additional geological work, including mapping, geophysical surveys, and drilling, would be required before any mineral resources could be defined and reported in accordance with NI 43-101 standards.

- Exploration Stage Classification - the PEGA properties are classified as early-stage uranium exploration projects**.** The value attributed to the properties within the fairness opinion reflects the exploration optionality associated with mineral claims located within recognized uranium-prospective districts, rather than defined mineral resources.

3.0 SCOPE OF THE WORK

RwE has relied on the following documents and information:

- Interviews of certain financial and business management and Board members of AERO, UE and PEGA. Hence, RwE has relied on the Parties' disclosures and data obtained online regarding the AERO / UE / PEGA mineral properties.

- Collected data regarding the past, present and planned development of the AERO mineral project. Examined the various uranium projects, including Murmac, Fortune Bay option/JV interest and the Apex (Nevada) project and reviewed the small Huber Hills project.

- Collected data regarding the past, present and planned development of the UE mineral projects (especially the I-70 project). Examined the various uranium projects in Utah/Colorado, including: Melinda (UT), Blue Jay (UT), Sun (UT), Uravan and Kimmerle (UT/CO leases/claims package). Examined the Gold (Yukon + residual NL) projects, including: Sonora Gulch (YT), Rosebute (YT) and Bishop (YT).

- Collected data regarding the past, present and planned development of the PEGA mineral projects. Examined the various uranium projects in Utah, including: Energy Sands Uranium Project and the Jupiter Uranium Project.

- Collected basic and preliminary data on AERO / UE / PEGA that the Parties provided outlined the process of getting to an Agreement and the reasons why the Parties want to close their respective arrangements. Management of AERO / UE / PEGA described

the transaction as a strategic merger designed to combine AERO's capital position (approximately C$5 million cash on hand) with UE's more advanced U.S.-based uranium portfolio and PEGA's early-stage projects to create a larger, financeable North American uranium exploration platform.

- Secondary data was obtained from the Parties' websites, industry databases, and independent mining publications, with all material facts cross-verified against statutory filings. Accessed SEDAR+.

- Also collected general business data from Bloomberg, Reuters, Capital IQ, Bank of Canada, Toronto Dominion Bank, Scotiabank, Moodys, Financial Week, Barrons, Globe and Mail, mergermarket, TD Securities, BMO Capital Markets, CIBC World Markets, National Bank, Economist, Morningstar Dividend Investor & Standard Bank.

- Reviewed financial and stock market trading data on comparable companies in the nearby gold exploration area and whose shares trade on stock exchanges.

- Reviewed the available audited and compiled financial statements of AERO, UE and PEGA as available on each of the websites and as available from online sources, this included up to October 31, 2025 for AERO, to September 30, 2025 for UE and to November 30, 2025 for PEGA. Readers should refer to Appendices 2.1, 3.1 and 4.1. From this data, RwE was able to compile the net assets of AERO / UE / PEGA as is shown in the Report's Schedules 1.1, 2.1 and 3.1.

- Research the uranium marketplace in North America and found that as of 2026, uranium exploration momentum in Canada and the U.S. is being pulled forward by a "nuclear fuel security" cycle. In Canada, the Athabasca Basin remains the flagship exploration district with active programs and meaningful regulatory progress on near-term development (e.g., Saskatchewan/CNSC approvals advancing projects like Denison's Phoenix ISR through February of 2026), while established operators continue to invest in sustaining and expanding Tier-1 supply optionality. In the U.S., the policy catalyst is even more explicit - Washington is committing multi-billion-dollar support to rebuild domestic enrichment (LEU/HALEU) capacity and de-risk the fuel cycle ahead of tighter constraints on Russian supply (including DOE's $2.7b enrichment push announced in January of 2026. Given this, it appears that the AERO / UE combination is positioned to "capitalize on" the cycle by creating a larger, more financeable North American platform with diversified jurisdictional exposure. AERO explicitly markets both Canada (Saskatchewan / Athabasca) and U.S. (Nevada) uranium project pipelines, while UE positions itself around advancing U.S. uranium assets (notably the Colorado Plateau) into the permitting/development queue as domestic support rises.

- The following Comps analysis is presented for qualitative reasonableness purposes only. Due to inconsistent public disclosure of project size / compliant resource figures across early-stage uranium firms, certain metrics are unavailable. Thus, these comparables are used as directional context rather than determinative valuation indicators.

- AERO's flagship Murmac Project Partially Comparable Projects:

Comparable (Company / Project)	Jurisdiction	Resource (lbs U3O8)	Size (acres/ha)	EV/Resource*
NexGen – Arrow (SK)**	Saskatchewan	Yes (large, NI 43-101)	N/A	N/A
Fission – PLS / Triple R (SK)**	Saskatchewan	Yes (NI 43-101)	N/A	N/A
IsoEnergy – Hurricane (SK)**	Saskatchewan	Yes (NI 43-101)	N/A	N/A
Denison – Wheeler River (SK)**	Saskatchewan	Yes (NI 43-101)	N/A	N/A
CanAlaska – Athabasca explorer	Saskatchewan	N/A	N/A	N/A
Skyharbour – Athabasca explorer	Saskatchewan	N/A	N/A	N/A
Baselode – Athabasca explorer	Saskatchewan	N/A	N/A	N/A
Forum Energy Metals – Athabasca explorer	Saskatchewan	N/A	N/A	N/A
Purepoint – Athabasca explorer	Saskatchewan	N/A	N/A	N/A
Standard Uranium – Athabasca explorer	Saskatchewan	N/A	N/A	N/A

These comparables are not determinative of value but are used to assess directional consistency of implied valuation metrics relative to peer-stage exploration companies operating in similar jurisdictions.

* - Murmac is exploration-stage with no NI 43-101 mineral resource, so EV/Resource isn't meaningful for Murmac itself. The partial comparables above are "Peer Set" Comps.

** - Those are the resource-stage "Anchor Comp" that brackets valuation expectations in the Athabasca Basin. They are not ideal matches, but they appear to be partially comparable. Murmac size / tenure anchor. The Murmac option area is disclosed as 19,603 hectares in the Murmac Technical Report.

All of the above Comps are used solely as qualitative reasonableness checks due to inconsistent disclosure of project hectares/resources across issuers.

- UE flagship I-70 (Green River) Project Partially Comparable Projects:

Comparable (Company / Project)	Jurisdiction	Resource (lbs U3O8)	Size (acres/ha)	EV/Resource (US$/lb or C$/lb)*
Anfield – Velvet-Wood (UT)	Utah	4.6M (M&I, historical)	N/A	~C$0.04/lb
Anfield – Frank M (UT)	Utah	2.2M (historic indicated)	N/A	~C$0.07/lb
Western Uranium – San Rafael (UT)	Utah	2.415M (historic indicated)	N/A	~C$0.02/lb
Western Uranium – San Rafael (UT)	Utah	0.588M (historic inferred)	N/A	~C$0.10/lb
(UE) Urano – I-70 (Green River) (UT)	Utah	~1.4M (historical indicated+inferred, per company disclosure)	~1,009 acres	(UE market-implied)
Energy Fuels – (CO Plateau conventional assets)**	UT/CO	N/A (varies by asset / disclosure regime)	N/A	N/A
enCore Energy – (conventional US assets)**	US	N/A (project dependent)	N/A	N/A
Uranium Energy Corp – (US projects)**	US	N/A (S-K 1300 resources; ISR focus)	N/A	N/A
Peninsula Energy – (US assets)**	US	N/A	N/A	N/A
Blue Sky Uranium / other early-stage US comps**	US	N/A	N/A	N/A

These comparables are not determinative of value but are used to assess directional consistency of implied valuation metrics relative to peer-stage exploration companies operating in similar jurisdictions.

* - EV proxy shown = market cap proxy, and EV/Resource is only computed where a public pounds figure is clearly disclosed in an accessible source; EV/Size only where area is clearly disclosed. This is due to limited public disclosure of net debt positions among early-stage issuers

** - Included as "style comps" (US-listed uranium developers/producers with US assets) where direct like-for-like project metrics aren't cleanly disclosed in one place.

The first four are likely the closest project comps as they are also Colorado Plateau / UT-CO conventional uranium-vanadium style assets with disclosed pounds figures, which is the closest comparison to UE's I-70 narrative.

- PEGA's Partially Comparable Projects:

Comparable Project	Jurisdiction	Stage	Consideration Paid	Implied Property Value (CAD)	Notes
Green River / Mesa Arc Uranium Projects	Utah & New Mexico, USA	Early exploration	US$50k on signing + staged payments + purchase option	~C$2.4M	Multi-claim uranium exploration project option agreement within Colorado Plateau district
Colorado Plateau Uranium Claims Package	Colorado, USA	Early exploration with historic data	US$250k for 50% interest	~C$1.4M (100% basis)	Historic uranium-vanadium district with prior drilling
Utah & Colorado Uranium Property Portfolio	Utah & Colorado, USA	Exploration / historic mines	Cash and shares consideration	~C$14.5M portfolio value	Acquisition of multiple uranium properties across Colorado Plateau region
Pine Ridge Uranium Project	Wyoming, USA	Advanced exploration	Staged payments totaling approximately US$22.5M	~C$30M	Larger advanced exploration uranium project
Coyote Basin / Red Wash Uranium Projects	Utah, USA	Early exploration	Cash plus share consideration	~C$1.2M	Early-stage uranium property acquisition within uranium-prospective district

These comparables are not determinative of value but are used to assess directional consistency of implied valuation metrics relative to peer-stage exploration companies operating in similar jurisdictions.

* - PEGA's projects are early exploration-stage with no NI 43-101 mineral resource, so EV/Resource isn't meaningful for them. The partial comparables above are "Peer Set" Comps.

** - Those are the resource-stage "Anchor Comp" that brackets valuation expectations in the uranium markets. They are not ideal matches, but they appear to be partially comparable to project size / tenure anchor.

All of the above Comps are used solely as qualitative reasonableness checks due to inconsistent disclosure of project hectares/resources across issuers.

The Energy Sands and Jupiter uranium projects represent early-stage uranium exploration properties located within the Colorado Plateau geological province, a region historically known for sandstone-hosted uranium deposits. Based on the comparable transactions summarized above, early-stage uranium exploration properties of similar scale and stage commonly transact within a range of approximately C$0.7 million to C$3.0 million per project, depending on geological potential, historical exploration results, and jurisdiction. Accordingly, the implied valuation of approximately C$2.5 million attributed to Pegasus Resources Inc. within the deal falls within the observed market range for comparable early-stage uranium exploration assets and is therefore considered reasonable and consistent with market evidence.

4.0 CONDITIONS AND RESTRICTIONS OF THE REPORT

- The Report is for the Boards of UE and PEGA and for their use for internal circulation purposes and only the final signed Report can be relied on by UE and PEGA's Boards and related regulatory bodies. AERO can not rely on the Report.

- RwE understands that a summary of the signed Report may be included in the documentation advising only UE and PEGA's Boards of such findings.

- The signed Report may be used for inclusion in public disclosure documents in Canada only. RwE will require that it review public disclosure documents in order to ensure accuracy and consistency with the Report. Such consent will not be unreasonably withheld.

- The Report cannot be submitted to any non-North American or international stock exchanges and or foreign regulatory authorities.

- The Report cannot be submitted to the CRA or the IRS.

- RwE applied generally accepted CICBV and IVS valuation principles to the financial and other information received from AERO, UE, and PEGA in preparing this Report.

- RwE has assumed that the information, which is contained in the Report, is accurate in all material respects, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report that AERO / UE / PEGA, or their representatives, are aware of.

- RwE did not attempt to audit the accuracy or completeness of the financial, technical, exploration, development and business data and information provided to it.

- This Report contains conclusions on fair value and on the fair market value of AERO / UE / PEGA based on a limited review and analysis undertaken.

- This Report has been prepared in light of those standards of the Canadian Institute of Chartered Business Valuators and the American Society of Appraisers (both of which Richard W. Evans is a member in good standing). This Report has also been prepared in accordance with the International Valuation Standards by applying valuation techniques consistent with market participant assumptions, using observable market inputs where available and appropriately adjusted for asset-specific and transaction-specific risks, and by considering multiple valuation approaches as a reasonableness check. The analysis reflects the IVS principles of transparency, consistency, and professional judgment, and concludes on fairness from a financial point of view having regard to the terms of the transaction, the relative contributions of each party, and prevailing market conditions at the valuation date.

- Should the assumptions used in the Report be found to be incorrect, then the valuation and conclusions may be rendered invalid and would likely have to be reviewed in light of correct and/or additional information.

- The Report, and more specifically the assessments and views contained therein, is meant as independent review of the AERO/UE Business Combination and the AERO/PEGA Business Combination as at the Valuation Date respecting the scope outlined above.

- The authors of the Report make no representations, conclusions, or assessments, expressed or implied, regarding AERO / UE / PEGA.

- The information/assessments contained in the Report pertain only to the conditions prevailing at the time the Report was completed in February and March of 2026.

- RwE denies any responsibility, financial or legal or otherwise, for any use and/or improper use of the Report however occasioned.

- Any legal disputes or legal action against RwE Growth Partners, Inc. as a result of the Report, or any other matter, is agreed by UE / PEGA and their management, officers, directors and their respective shareholders are agreed to be settled only in a Canadian court of law.

- RwE as well as all of its principals, partners, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by RwE, its principals, partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Report and Summary.

- No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Report and a Report Summary (the "Summary").

5.0 ASSUMPTIONS OF THE REPORT

The authors of the Report have made the following assumptions in completing the Report:

(1) As at the Valuation Date all assets and liabilities in respect of AERO / UE / PEGA have been recorded in their financial statements and follow IFRS standards. A current audit of AERO / UE / PEGA's provided financial statements (per Schedules 1.1, 2.1 and 3.1) would not result in any material change to the financial data contained in the RwE Report's Schedules.

(2) RwE has assumed that the provided AERO / UE / PEGA financial statements and position would not change materially to the Valuation Date and to the closing of the

AERO/UE Business Combination and the AERO/PEGA Business Combination. The changes are reflected in Schedules 1.1 – 3.1 and hence the net assets of AERO / UE / PEGA are accurate. This is a critical assumption.

(3) AERO / UE / PEGA's and all of their related parties and their principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management and included in the Report that would affect the evaluation or comments on AERO/UE Business Combination or the AERO/PEGA Business Combination.

(4) All of the conditions of the AERO/UE Business Combination and the AERO/PEGA Business Combination as set out in Appendixes and in Schedule 5.1 are 100% accurate as at the closing.

(5) RwE has assumed that AERO / UE / PEGA will use capital / resources it has on-hand to focus exploring the AERO / UE / PEGA projects; and may secure additional capital as announced by the Parties. AERO / UE / PEGA Board's confirmed this to be RwE.

(6) AERO has advised that, as of the Valuation Date, it will shortly earn a 51% interest in the Murmac-Strike Project and fully intends to carry out exploration to earn 70% within the next 6-12 months. This is a critical assumption.

(7) AERO / UE / PEGA will complete the AERO/UE Business Combination and the AERO/PEGA Business Combination without any material change / concern / addition / deletion to the consideration issued to UE / PEGA's shareholders as per the Report's Schedules or any material changes to the terms of the Agreement.

(8) There are no other dilutive events at the close of the AERO/UE Business Combination and the AERO/PEGA Business Combination other than what has been disclosed by AERO / UE / PEGA's Board in the Report and set out in Schedule 5.1.

(9) The Proforma Balance Sheet of the Resulting Issuer is as provided to RwE by AERO / UE / PEGA - refer to Schedule 4.1

(10) The Resulting Issuer (MANU) has the number of shares issued and outstanding to each of the AERO / UE / PEGA shareholders at the Closing of the AERO/UE Combination and/or AERO/PEGA Combination as shown in Schedule 5.1

(11) There will be no unforeseen and/or material negative tax consequences to UE / PEGA's shareholders through the closing of the AERO/UE Business Combination and the AERO/PEGA Business Combination.

(12) The consideration paid to UE and PEGA's shareholders are as set out in Schedule 5.1 accurately reflects the consideration issued to all of the UE / PEGA shareholders of

involved in the AERO/UE Business Combination and the AERO/PEGA Business Combination. This is a critical assumption.

(13) The UE / PEGA Board has noted to RwE that it is not aware of any other facts or data involving the AERO/UE Business Combination and the AERO/PEGA Business Combination or any other matter that would have any material effect on the conclusions in the Report that has not been provided to RwE.

RwE reserves the right to review all information and calculations included or referred to in this Report and, if it considers it necessary, to revise its views in the light of any information which becomes known to it during or after the date of this Report.

6.0 DEFINITION OF FAIR VALUE AND FAIR MARKET VALUE

For purposes of this Report, fair value is defined in accordance with International Financial Reporting Standard 13 – Fair Value Measurement ("IFRS 13").

IFRS 13 defines fair value as:

"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

This definition reflects an exit price notion, meaning the price achievable in a hypothetical sale or transfer, rather than an entity-specific value or entry price. Fair value under IFRS 13 is a market-based measurement, not an entity-specific measurement. IFRS 13 establishes a fair value hierarchy that prioritizes inputs used in valuation techniques:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Observable inputs other than quoted prices included within Level 1.
- Level 3: Unobservable inputs reflecting the assumptions market participants would use.

Consistent with IFRS 13, fair value assumes an orderly transaction between independent, knowledgeable, and willing market participants acting at arm's length at the measurement date.

Alignment with Current International Valuation Standards

The Report has also been prepared in a manner consistent with the International Valuation Standards ("IVS") issued by the International Valuation Standards Council (current edition). Under IVS, fair value is defined as:

"The estimated price for the transfer of an asset or liability between identified knowledgeable and willing parties that reflects the respective interests of those parties."

IVS clarifies that, when applied in a financial reporting context, the definition of fair value should be consistent with the relevant accounting standard (in this case, IFRS 13). Accordingly, the fair value conclusions contained herein are aligned with the IFRS 13 exit price framework. In circumstances where IFRS 13 applies, IVS requires alignment with the accounting definition, which is reflected in this Report. This information and our assessments of these areas will be incorporated into the Report. In this Report, fair market value is the price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.

In Canada, the term "price" should be replaced with the term "highest price". This definition is set out in: https://cbvinstitute.com/wp-content/uploads/2020/02/Practice-Bulletin-No.-2-E.pdf.

With respect to the market for the shares of a company viewed "en bloc" there are, in essence, as many "prices" for any business interest as there are purchasers and each purchaser for a particular "pool of assets", be it represented by overlying shares or the assets themselves, can likely pay a price unique to it because of its ability to utilize the assets in a manner particular to it. In any open market transaction, a purchaser will review a potential acquisition in relation to what economies of scale (e.g., reduced or eliminated competition, ensured source of material supply or sales, cost savings arising on business combinations following acquisitions, and so on), or "synergies" that may result from such an acquisition.

Theoretically, each corporate purchaser can be presumed to be able to enjoy such economies of scale in differing degrees and therefore each purchaser could pay a different price for a particular pool of assets than can each other purchaser.

Based on the authors of the Report's experience, it is only in negotiations with such a special purchaser that potential synergies can be quantified and even then, the purchaser is generally in a better position to quantify the value of any special benefits than is the vendor.

In this engagement RwE was not able to expose AERO / UE / PEGA for sale in the open market and were therefore unable to determine the existence of any special interest purchasers who might be prepared to pay a price equal to or greater than the fair value or fair market value outlined in the Report.

RwE should note that it is possible that a special interest purchaser may pay a price that is higher than fair market value (i.e., the special purchaser price). The reason for this may be synergistic reasons known only to them.

RwE has not factored in any likely special purchaser consideration for the reasons that valuators cannot reasonably quantify such synergies, and valuation literature supports that unless such synergies can be quantified and proven (though multiple written bids, etc.) they cannot be included.

7.0 VALUATION METHODOLOGIES

7.1 Overview

In valuing an asset and/or a business, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case. Valuation approaches are primarily income-based or asset-based. Income-based approaches are appropriate where an asset and/or enterprise's future earnings are likely to support a value in excess of the value of the net assets employed in its operation.

Commonly used income-based approaches are the Capitalization of Indicated Earnings or Capitalization of Maintainable Cash Flows or a Discounted Cash Flow.

Asset-based approaches can be founded on either going concern assumptions (i.e. an enterprise is viable as a going concern but has no commercial goodwill) or liquidation assumptions (i.e. an enterprise is not viable as a going concern, or going concern value is closely related to liquidation value).

Standard valuation methods applicable to determining value can be grouped into five general categories:

(1) Cost approach;

(2) Market approach (or sales comparison approach);

(3) Income-based approach;

(4) Rules-of-Thumb approach; and

(5) Combination of any of the above approaches.

As there are many definitions of cost, the Cost approach generally reflects the original cost of the assets and/or business in question or the cost to reproduce the intangible assets of the business itself. This approach is premised on the principle that the most a notional purchaser and/or an investor will pay for an investment is the cost to obtain an investment of equal utility (whether by purchase or reproduction).

The Market or Sales Comparison approach uses the sales price of comparable assets as the basis for determining value. If necessary, the market transaction data is adjusted to improve its comparability and applicability to the asset being valued.

The Income-Based Approach considers the earnings to be derived through the use of the asset. The capitalized value of the Company's earnings or cash flows is determined with the application of a capitalization rate, reflecting an investor's required rate of return on such an investment.

The Rules-of-Thumb approach can be applied to certain assets to serve as a useful determination of value when industry professionals provide specific information as to standard industry characteristics and/or acknowledged and accepted rules. Rules-of-Thumb often involve the input of specific industry competitors and professionals to indicate certain measurable criteria that can be assessed and applied to as indications of value.

Lastly, a combination of the above approaches may be necessary to consider the various elements that are often found within specialized companies and/or are associated with various forms of intangible assets.

8.0 VALUATION METHODS USED

8.1 Standards Approach

RwE has used the updated CIMVAL Code for the Valuation of Mineral Properties, as prepared by the Special Committee of the Canadian Institute of Mining, Metallurgy and Petroleum on the Valuation of Mineral Properties (CIMVAL), adopted by the CIM Council on November 29, 2019. The CIMVAL Code was adopted by the Canadian Institute of Mining, Metallurgy & Petroleum (the "CIM") Council on November 29, 2019.

Per CIMVAL Code the Qualified Valuator is an individual who

a. is a professional with demonstrated extensive experience in the Valuation of Mineral Properties.

b. has experience relevant to the numerous mineral properties over the last thirty years

c. relied on the technical experts of AERO / UE / PEGA. All scientific and technical information on the mineral projects of AERO / UE / PEGA were provided/prepared/reviewed/approved by Galen McNamara, P.Geo., CEO of AERO. Mr. McNamara is a Qualified Person for the purposes of National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). All scientific and technical information related to the mineral projects of UE was provided/prepared/reviewed/approved by Dr. Douglas Underhill, CPG. Mr. Underhill is a Qualified Person for the purposes of NI 43-101. All scientific and technical information relating to the mineral projects of PEGA was prepared/reviewed/approved by Trevor Mills, P.Geo. Mr. Mills is a Qualified Person for the purposes of NI 43-101. This professionals can be considered as a Qualified Persons – collectively referred to as the "Technical Experts".

d. RwE is regulated by and is a member in good standing of a Professional Association or a Self-Regulatory Professional Organization; i.e., the

Canadian Institute of Chartered Business Valuators and the American Society of Appraisers.

e. Richard Evans is a member of the Canadian Institute of Mining, Metallurgy and Petroleum.

In dealing with:

(a) RwE has conducted numerous valuations and fairness opinions of resource properties and mineral investing companies in which its clients and their accountants have been satisfied and relied on RwE as a qualified valuator (some of which are Canadian, U.S. and International public companies).

A small sample of these firms:

F3 Uranium	Myriad Uranium
Rush Rare Metals	Afri-Uranium No.1 (Pty) Ltd.
Afri-Uranium No. 2 (Pty) Ltd.	Virgina Energy Resources
Zimtu Capital	Minco Gold / Silver
Dunnedin Ventures Inc.	GGX Gold
Trans African Gold Corp.	Ascot Mining plc.
Sandstorm Resources Inc.	Luna Gold Corp.
Lowell Mineral Exploration	Cosigo Resources Inc.
Horseshoe Gold Mining Inc.	Able Trust Inc.
Imperial Metals Corp.	Batero Gold Corp.
Sandstorm Metals & Energy Ltd.	Compass Gold Corp.
Evolving Gold Corp.	Columbus Gold Corp.
CIC Resources Inc.	Entrée Gold Corp.

Columbus Silver Corp.	Selkirk Metals Corp.
Great Pacific Gold	Serra Energy Minerals

(b) RwE has relied upon the Technical Experts as related to the AREO / UE / PEGA Projects as being opinions and assessments by Qualified Persons.

(c) RwE is a member in good standing with both the Canadian Institute of Chartered Business Valuators and the American Society of Appraisers both of which are regulated and are self-regulatory professional organizations.

(d) Richard Evans is a member of the Canadian Institute of Mining, Metallurgy and Petroleum.

CIMVAL Code, November 2019

The six fundamental principles in undertaking Valuations and Valuation Reports are Competence, Materiality, Reasonableness, Transparency, Independence and Objectivity. In reviewing all of the AERO / UE / PEGA projects RwE has followed these principles.

Competence
A Qualified Valuator who is not Competent in all aspects of a Valuation assignment must seek assistance from one or more Qualified Valuators or other Experts who are Competent in the applicable field or discipline necessary to address those aspects. For example, in a Valuation, a Qualified Valuator may rely on Technical Experts and technical reports prepared by Qualified Persons. That has been done in this Report as noted above.

Materiality
A Valuation must address all Material information. All Material information must be included or adequately referenced in the Valuation Report. Materiality is the principle that determines whether certain information is relevant to the Valuation. Materiality applies to the nature of the items assessed and their influence on the quantum of a Valuation. RwE has clearly set out all material assumptions regarding the input parameters, risks, limitations, and the associated effects in the Report.

Reasonableness
RwE is comfortable that the Report's conclusions are reasonable. All Assumptions are clearly outlined in the Report. The Report's valuation methods relied upon are reasonable within the context of the purpose of the Report and regarding fair value. The test of reasonableness is to consider what appropriately qualified and experienced Qualified Valuators, acting reasonably, would likely conclude in the circumstances. RwE is of the view that our opinion is reasonable in the circumstances, that is, what RwE believes is rational and plausible in the circumstances and would be viewed as such if considered by other appropriately qualified and experienced Qualified Valuators with the same information and at the same time.

Transparency
The Valuation process and Valuation Report must be transparent, such that its material assumptions and conclusions must be clear and unambiguous and therefore understandable to the reader. All material assumptions and any limitation to the Valuation that could affect the Valuation conclusion must be disclosed in the Valuation Report. RwE has done this in the Report and Schedules.
Independence
For the Qualified Valuator to be able to develop a Valuation that users can confidently accept as free from bias, it is preferred, and may be mandated that the Qualified Valuator be Independent of the outcome of the Valuation, and thus be objective in exercising their judgement. This is clearly set out in section 11.2.

Objectivity
The Qualified Valuator should approach a Valuation with Objectivity. This is promoted by an environment that is supported by data and minimizes the influence of subjective factors, such as the Valuator's personal bias, on the Valuation process. The process of valuation requires the valuator to make impartial judgements as to the reliability of inputs and assumptions. For a valuation to be credible, it is important that those judgements are made in a way that promotes transparency and minimizes the influence of any subjective factors on the process. Judgement used in a valuation must be applied objectively to avoid biased analyses, opinions and conclusions (Adapted from IVS Framework, Section 40.1). RwE has carried out the Report's work, analysis and conclusions objectively.

Additional CIMVAL Code Items:

Valuation Approaches

In accordance with the CIMVal Code, the Qualified Valuator bears professional responsibility for the selection and application of appropriate valuation approaches and methods having regard to the nature, stage of development, quality of information available, and risk profile of the mineral property or interest being valued.

The Qualified Valuator must consider each of the three generally accepted valuation approaches - being the Income Approach, the Market Approach, and the Cost Approach - and must clearly explain the rationale for the inclusion or exclusion of each approach in the valuation analysis.

Where a particular approach or method is not applied, the Qualified Valuator must provide a reasoned explanation as to why that approach is not considered appropriate or reliable in the circumstances, including consideration of data availability, project maturity, or market relevance.

For each valuation approach and method applied, the Qualified Valuator must describe the methodology used, the key assumptions and inputs, and the inherent limitations and uncertainties associated with that approach, including the sensitivity of the valuation outcome to changes in critical assumptions.

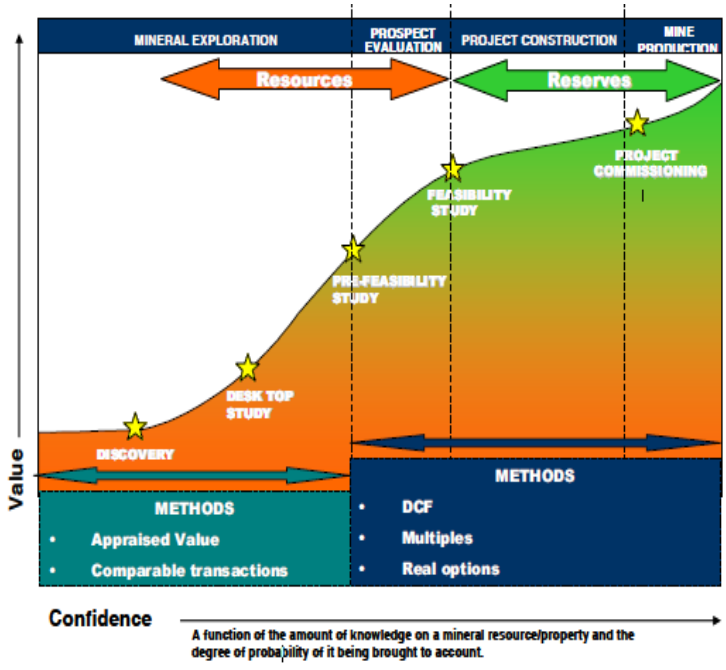
The valuation conclusions should be supported by cross-checks and reasonableness tests between the applicable valuation approaches, where practicable, and the Qualified Valuator must exercise professional judgment in reconciling the results of the various approaches to arrive at a final opinion of value.

More than one approach should be used in the Valuation of each Mineral Property if it is reasonably possible and appropriate to apply them.

If a Qualified Valuator is of the opinion that only one approach should be used in particular circumstances, the Qualified Valuator must justify and explain why other approaches are not used in such circumstances.

RwE has used multiple approaches and explained and detailed their use in the Report regarding the AERO / UE / PEGA projects.

Methods Used by RwE:



Source: MVENMYN

Cost Method - One of the valuation methods that we have used for AERO / UE / PEGA's mineral rights of their collective projects was a Modified Appraised Value Method – considering only past expenditures and those represented on AERO / UE / PEGA's applicable Balance Sheets (per Schedules 1.1, 2.1 and 3.1). RwE has relied on the AERO / UE / PEGA financial statements and used the reported historical exploration expenditures and recorded mineral property balances as a proxy for invested capital, without adjustment for impairment. AERO / UE / PEGA management has confirmed no impairment indicators under IAS 36 as at the Valuation Date.

RwE also used the multiple of exploration expenditure method ("MEE") as it is a method whereby a subjective factor (also called the prospectivity enhancement multiplier or "PEM") is based on previous expenditure on a mineral asset with or without future committed exploration expenditure and is used to establish a base value from which the effectiveness of exploration can be assessed.

Where exploration has produced documented positive results a MEE multiplier can be selected that take into account the valuer's judgment of the prospectivity of the mineral asset and the value of the technical work that was completed, the location of the property in question, the probability and/or chance that characteristics of adjacent or nearby geological results may cross over to the property under review, the quality of the historical data, and the ability to build additional geological databases, models and identify drilling

targets. PEMs can typically range between up to 3.0/3.5 and can even be up to 5.0 where very favorable exploration results have been achieved.

With regards to AERO / UE / PEGA's mineral properties, the Cost Approach involves a review of the historical exploration expenditures and their contribution to the current value of the mineral property.

The prospectivity enhancement multipliers applied to the historical exploration expenditures of AERO / UE / PEGA were 1.1x, 1.08x and 1.00x, respectively. These multipliers reflect only modest recognition of geological prospectivity and historical technical work, and fall at the very low end of observed industry ranges for early-stage uranium exploration properties. The restrained PEM selection reflects the absence of NI 43-101 compliant mineral resources for AERO / UE / PEGA, the exploration-stage status of all of the portfolios, and the inherent geological and development risks associated with such assets. The application of these modest PEMs supports the reasonableness and conservatism of the Cost Approach conclusions and reduces reliance on speculative upside.

Market Method – In accordance with the International Valuation Standards, the Market Approach was applied by reference to observable transaction and trading metrics commonly used by market participants to value early-stage and development-stage mineral assets, including enterprise value to revenue, enterprise value to historical exploration and development expenditures, and enterprise value to mineral resource size.

For mineral exploration and development companies such as AERO / UE / PEGA\, where long-term cash flows are uncertain, production has not yet been established for all assets, and economic outcomes are highly sensitive to geological and development risk, market participants frequently rely on comparative valuation indicators rather than solely on discounted cash flow techniques.

Accordingly, 'what was paid" and other metrics were considered where project-level or company-level revenues were observable or proxied. EV/Cost metrics were also used to benchmark market value against historical and replacement exploration expenditure, and EV/Size metrics (e.g., enterprise value per ounce or per unit of contained metal) were applied to compare the relative scale and quality of the AERO / UE / PEGA projects against peer transactions and comparable companies. These metrics reflect prices paid and implied values observed in orderly market transactions involving comparable mineral assets and are therefore consistent with IVS requirements that Market Approach inputs be derived from observable market data and reflect market participant assumptions.

Why These Metrics Are Appropriate. All of the AERO / UE / PEGA projects are exploration-to-early-development stage mineral assets with some historical defined mineral resources but limited operating history, making direct application of an Income Approach either premature or highly assumption-driven. In such circumstances, IVS recognizes that valuation techniques based on comparable transactions and market-derived multiples may provide more reliable evidence of fair value. The use of EV/Size metrics allows for normalization of value relative to contained metal and grade, while EV/Cost

metrics provide a reasonableness check against capital invested and replacement cost, both of which are commonly considered by market participants when assessing relative value between competing exploration assets.

Integration with the Cost Approach (i.e., strengthens IVS compliance). Consistent with both IVS and the CIMVal Code, the Market Approach was not applied in isolation but was considered alongside the Cost Approach, which provides an independent benchmark based on historical and replacement exploration expenditures adjusted for project-specific risk, stage of advancement, and obsolescence. The Cost Approach serves as a lower-bound or supportable reference point for value, while the Market Approach reflects how similar assets are priced in the marketplace. The convergence of values derived from EV/Revenue, EV/Cost, and EV/Size metrics with the Cost-based indications supports the overall reasonableness of the valuation conclusions and reduces reliance on any single method. This triangulation of value indications is consistent with IVS principles requiring the use of multiple approaches where appropriate, the explanation of method selection and limitations, and the application of professional judgment in reconciling results.

Using TSX-V Guidelines

TSX Venture Exchange Corporate Finance Bulletin dated January 28, 2020 clarifies that with respect to the CIMVAL Code for the Valuation of Mineral Properties November 29, 2019, all references to a valuation report for a mineral property in the Manual, and the associated guidance in respect of those reports, continue to be a reference to a Comprehensive Valuation Report (as defined in the New CIMVAL Code). The Exchange has reviewed the above report for compliance with Exchange Valuation Standards and Guidelines for Minerals Properties, Appendix 3G: which incorporate Canadian Institute of Mining, Metallurgy and Petroleum Standards and Guidelines for Valuation of Mineral Properties Adopted by the CIM Council on November 29, 2019.

For properties without mineral reserves:

- *Comparable transactions whereby properties similar in all aspects are incorporated into the analysis, whereby fair market value can be determined.*

- *Modified appraised value method whereby only the retained past expenditures (also known as "historical costs" or "replacement costs") are included. The Exchange does not generally accept the inclusion of warranted future expenditures for the purposes of the appraised value method. Associated administrative costs will generally not be accepted."*

Given all of the above, RwE has followed CIMVAL, November 2019 Code and standards and has used multiple methods (Cost and Market) to value the AERO / UE / PEGA Projects. The Report complies with the CIMVAL Code and Standards, November 2019 in its entirety.

8.2 Overview

In valuing a mineral property, especially previous to resource estimates, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case.

Where there is evidence of open market transactions having occurred involving the mineral property, those transactions may often form the basis for establishing the value of the mineral property.

In the absence of comparable arms' length open market transactions, the three basic, generally-accepted approaches for valuing a business interest are:

(a) The Income / Cash Flow Approach;

(b) The Market Approach; and

(c) The Cost or Asset-Based Approach.

A summary of these generally-accepted valuation approaches is provided below.

The Income/Cash Flow Approach is a general way of determining a value indication of a mineral property once a clear economic assessment, using one or more methods wherein a value is determined by discounting anticipated future cash flows and benefits.

This approach contemplates the continuation of the mining operation, as if it is a "going concern".

With regards to a company involved in exploration and development of a mineral property, or the valuation of a mineral property itself, the Income Approach generally relates to the current value of expected future income or cash flow arising from the potential development of a mineral project.

The Market Approach to valuation is a general way of determining a value indication of a business or an equity interest therein using one or more methods that compare the subject entity to similar mineral properties which has been sold.

Examples of methods applied under this approach include, as appropriate: (a) the "Trading Price Method", (b) the "Guideline Public Company Method", (c) the "Merger and Acquisition Method"; and (d) analyses of prior transactions of ownership interests in the subject entity.

The Cost Approach is based upon the economic principle of substitution. This basic economic principle asserts that an informed, prudent purchaser will pay no more for an asset than the cost to obtain an opportunity of equal utility (that is, either purchase or construct a similar asset).

From an economic perspective, a purchaser will consider the costs that they will avoid and use this as a basis for value.

The Cost Approach typically includes a comprehensive and all- inclusive definition of the cost to recreate an asset. Typically the definition of cost includes the direct exploration costs, labour and all forms of obsolescence applicable to the asset.

With regards to mineral properties, the Cost Approach involves a review of the historical exploration expenditures and their contribution to the current value of the mineral property.

Lastly, a combination of the above approaches may be necessary (i.e., a "Weighted Approach") to consider the various elements that are often found within specialized companies and/or are associated with various forms of intellectual property and where one or two approaches to value is insufficient to capture the nature of the business operations and its assets.

8.3 The Valuation Approaches

Given the approaches of valuation outlined above as well as section 8.1 above, it is the view of the authors of the Report that the most appropriate methods in determining the range of the fair value for AERO / UE / PEGA Projects is set out in Schedules 1.1, 2.1 and 3.1.

In determining the fair market value of AERO / UE / PEGA as at February 27, 2026, RwE has considered the Income, Market, and Cost Approaches in accordance with the International Valuation Standards and the CIMVal Code, and applied those approaches deemed appropriate based on the nature of the assets, availability of market data, and reliability of inputs. As part of the analysis, the Cost Approach and Market Approach were applied at the asset level to adjust the carrying values of the mineral properties on each of the firms' balance sheets to reflect current economic conditions, project stage, and market participant assumptions, thereby deriving an adjusted net asset position for each company as at the Valuation Date.

The Cost Approach was used to benchmark value relative to historical and replacement exploration and development expenditures, adjusted for technical progress, obsolescence, and risk, while the Market Approach was applied through the use of market-derived metrics (including EV/Cost, EV/Size, and comparable transaction indicators) commonly relied upon by market participants for early-stage mineral assets.

Notwithstanding the above analyses, RwE notes that AERO / UE / PEGA are all publicly traded companies with active markets for their equity securities. While quoted closing prices represent Level 1 inputs under IFRS 13, the 20-day volume-weighted average price ("VWAP") reflects observable market transactions over a sustained period and therefore provides a more representative measure of the price achievable in an orderly transaction between market participants at the measurement date.

The 20-day VWAP was considered more representative of fair market value than a single-day closing price, as it reflects the volume-weighted price at which informed market participants transacted over a sustained period immediately preceding the transaction. This approach reduces the impact of short-term volatility and thin trading conditions, which are common in junior resource issuers, and therefore better approximates an orderly transaction value consistent with IFRS 13.

In accordance with IVS principles and the fair value hierarchy, where Level 1 inputs are available and are representative of orderly transactions between market participants at the measurement date, such inputs provide the most reliable and objective evidence of fair value and should take precedence over valuation techniques relying on Level 2 or Level 3 inputs. The asset-level Market and Cost Approach analyses, which rely on observable but indirect inputs (Level 2) and unobservable assumptions (Level 3), were therefore used as corroborative reasonableness checks rather than as the primary determinant of fair value.

The use of quoted market prices as the primary measure of fair value is appropriate in this instance because the shares of both companies were actively traded as at the valuation date, with sufficient market participation to support the conclusion that the observed prices reflect market participant expectations regarding the underlying assets, risks, and future prospects of each company. By contrast, valuation indications derived from adjusted book values, comparable property metrics, or cost-based methods involve greater reliance on judgment and assumptions regarding geological risk, development timelines, and future capital requirements, and therefore carry higher inherent estimation uncertainty.

Accordingly, RwE has placed greatest reliance on Level 1 market inputs, while using Level 2 and Level 3 valuation techniques to validate the internal consistency and reasonableness of the implied enterprise values and relative asset contributions of AERO / UE / PEGA.

The consistency observed between the market-implied values of the companies and the values indicated by the Market and Cost Approaches at the asset level supports the conclusion that the quoted market prices as at February 27, 2026 are reasonable and representative of fair value. As part of the valuation analysis, RwE applied both the Cost Approach and the Market Approach to AERO / UE / PEGA in order to derive independent indications of value based on adjusted book values, historical and replacement exploration expenditures, and observable market transaction metrics applicable to comparable mineral assets.

<u>AERO Valuation</u>

AERO's Adjusted Book Value ("ABV") from Schedule 1.1 is C$11.3m. The AERO Equity FMV set out in Schedule 5.1 is based around the 20-day VWAP value of C$17.1m. So the market-implied premium over ABV:

$$\$17.1m / \$11.2m = 1.52x$$

In our view the multiple is logically explained because:

- AERO is cash-heavy (~C$4.85M cash) before the Funding
- Cash is valued at lower multiples and is material element here
- Projects that AERO has in its exploration portfolio
- The early exploration stage of all of the AERO projects

UE Valuation

Schedule 2.1 shows that the Mineral Fair Value for the UE projects is C$7.0m. The ABV of UE is around C$7.8m. The UE Equity FMV set out in Schedule 5.1 is based around the 20-day VWAP value of C$18.7m. The market-implied premium over ABV:

$$\$18.7m / \$7.8m = 2.39x$$

In our view that multiple is not aggressive for:

- Early-stage uranium exploration optionality. Public market valuations for exploration companies often exceed adjusted book value because investors assign value to the potential for mineral discovery and resource delineation. Exploration companies therefore frequently trade at multiples of historical cost reflecting the optionality embedded in prospective mineral properties.

- The actual UE projects themselves and the potential of them. UE controls a portfolio of uranium properties located within historically productive districts of the Colorado Plateau region, including properties with documented historical production, drilling, and mineralization. While no NI 43-101 resources have yet been established, the presence of historical data and mineral occurrences provides a credible geological basis for further exploration upside.

- Multi-asset exploration platform. UE holds a diversified portfolio of exploration properties across several uranium districts rather than a single exploration project. Market participants commonly assign a premium to multi-asset exploration platforms because they provide diversified exploration exposure and multiple potential discovery opportunities.

- Tight capital structure. UE's relatively concentrated capital structure means that modest increases in market interest in uranium exploration or exploration success could translate into meaningful increases in equity value. Companies with tighter capital structures often trade at higher multiples of adjusted book value due to the greater leverage to exploration success.

- Improving uranium cycle backdrop. The uranium sector has experienced a strengthening commodity price environment and renewed investor interest due to global nuclear energy expansion and supply constraints. Market participants frequently attribute higher valuations to uranium exploration companies during strengthening commodity cycles in anticipation of increased exploration activity and potential resource development.

- Accordingly, the implied 2.39x market value to adjusted book value multiple reflected in UE's equity valuation is considered reasonable and consistent with market behavior observed for early-stage uranium exploration issuers. Early-stage uranium optionality

PEGA Valuation

Schedule 3.1 shows that the Mineral Fair Value for the Pegasus Resources Inc. projects is approximately C$2.5m. The ABV of PEGA is approximately C$2.3m. The PEGA Equity Fair Market Value set out in Schedule 5.1 is based on the 20-day VWAP equity value of approximately C$2.50 million. The market-implied premium over ABV is therefore:

$$\$2.50m / \$2.30m = 1.09x$$

In our view, this valuation multiple is conservative and reasonable for the following reasons:

- Early-stage uranium exploration optionality, where market participants commonly attribute value beyond historical exploration expenditures to reflect discovery potential.

- Colorado Plateau uranium exposure, a region with a long history of uranium production and known sandstone-hosted mineralization systems.

- Grassroots exploration stage, meaning the properties have not yet benefited from the value uplift that often accompanies drilling success or NI 43-101 resource delineation.

- Limited historical capital invested, where the cost base of approximately C$0.8 million represents only the early exploration phase of the projects.

- Observed market transactions, which indicate that early-stage uranium exploration projects commonly transact at premiums above historical cost where properties occur within established uranium districts.

Accordingly, the implied PEGA equity valuation of approximately C$2.5 million, representing a modest premium of approximately 1.09x adjusted book value, is considered reasonable and not aggressive in the context of comparable early-stage uranium exploration property transactions and current uranium sector market conditions.

Overall

Schedule 4.1 presents the implied market value of the resulting issuer under two scenarios:

i. prior to the effect of the concurrent financing; and

ii. after giving effect to the approximately C$11.5 million financing.

Under the first scenario, the implied market value of the resulting issuer is approximately C$38.6 million, representing approximately 1.81x adjusted net assets. Under the second scenario, which reflects the capital structure following completion of the financing, the implied market value increases to approximately C$50.1 million, representing approximately 2.35x adjusted net assets. These valuation multiples are consistent with observed market behavior for early-stage mineral exploration companies, which frequently trade at premiums to adjusted net asset value reflecting the exploration optionality associated with prospective mineral properties and the market's expectation of potential mineral discovery.

The use of observable market pricing, including the 20-day volume weighted average trading prices (VWAP) of the publicly traded companies involved in the transaction, is consistent with the fair value measurement framework under IFRS 13, which prioritizes observable market inputs where available. In addition, the reconciliation of the implied market value of the resulting issuer to its underlying adjusted net asset value is consistent with the valuation principles outlined in the International Valuation Standards (IVS) and CIMVal guidelines, which recognize that exploration-stage mineral assets may exhibit market values in excess of historical cost due to their potential for future economic benefit.

Accordingly, the implied valuation multiples of approximately 1.8x to 2.3x adjusted net assets are considered reasonable in the context of early-stage uranium exploration issuers and provide a coherent framework for assessing the fairness of the business combination from a financial perspective. The fact that the Cost and Market Approach indications are below the quoted market values is both expected and reasonable for publicly traded exploration companies operating in an active market, as trading prices typically incorporate a premium for liquidity, future optionality, market sentiment, and expectations regarding exploration success that are not fully captured in cost-based or asset-level market benchmarks.

Cost-based valuations, by their nature, tend to provide conservative indications of value, reflecting sunk and replacement expenditures adjusted for technical progress and risk, while Market Approach metrics applied at the asset level are necessarily constrained by the availability and comparability of transactional data. Accordingly, a reasonable positive variance between market capitalization and Cost or Market Approach indications is consistent with market participant behavior and does not indicate overvaluation.

This reconciliation of multiple valuation approaches, with appropriate weighting based on the reliability of inputs, reflects the exercise of professional judgment required under IVS and enhances the robustness and transparency of the valuation conclusions.

While asset-level Market and Cost Approaches were applied to adjust book values and assess relative contributions, the final fair value conclusions appropriately rely on quoted market prices as Level 1 inputs, which provide the most objective and reliable evidence of fair value under IVS, with Level 2 and Level 3 analyses serving as corroborative reasonableness checks.

9.0 FAIRNESS CONSIDERATIONS

Summary of Key Fairness Considerations

In forming our opinion regarding the fairness of the AERO/UE Business Combination and the AERO/PEGA Business Combination, each on a standalone basis, from a financial point of view, we considered the following principal factors:

- Market-Based Valuation Evidence. The relative equity values of Urano Energy Corp., Aero Energy Limited, and Pegasus Resources Inc. were assessed using observable market inputs including the 20-day volume-weighted average trading prices (VWAP) of the respective publicly traded companies.

- Adjusted Net Asset Analysis. The adjusted book value of each company was analyzed after replacing the recorded carrying value of exploration and evaluation assets with estimated fair values determined under Cost and Market valuation approaches consistent with CIMVal and International Valuation Standards.

- Resulting Issuer Valuation Framework. The implied market value of the resulting issuer was evaluated relative to adjusted net assets, producing valuation multiples in the range of approximately 1.8x to 2.3x, which are consistent with observed trading ranges for early-stage uranium exploration companies.

- Relative Ownership Analysis. The ownership interests received by shareholders of each participating issuer were compared with the relative fair market value of the assets and equity contributed by each party, demonstrating that ownership in the resulting issuer is broadly proportionate to value contributed.

- Transaction Structure and Capitalization. The concurrent financing of approximately C$11.5 million materially strengthens the capital position of the resulting issuer and provides exploration capital that benefits all legacy shareholders proportionately.

The fairness of the AERO/UE Business Combination and the AERO/PEGA Business Combination on a standalone basis for the UE and PEGA shareholders is tested by:

i. Assessing the value of the components of the AERO/UE Business Combination and the AERO/PEGA Business Combination separately.

ii. Assessing the value of the net assets of AERO / UE / PEGA. This was done in Schedule 1.1, Schedule 2.1 and Schedule 3.1. Readers should review each of these schedules.

iii. Within Schedules 1.1, 2.1 and 3.1 RwE assessed the fair value of the AERO / UE / PEGA mineral rights related to their projects/properties using the Cost Method and Market Method. From this we calculated the ABV of AERO / UE / PEGA as also shown in Schedules 1.1, 2.1 and 3.1.

iv. Assessing the trading price of AERO / UE / PEGA as at February 27, 2026 and a VWAP for a period of 20 days. Also, we examined the CSE and TSX-V trading volumes of AERO / UE / PEGA, respectively.

AERO's recent share price activity has shown broader relative movement and higher volatility compared to UE, with quotes in recent weeks around C$0.40 – C$0.50, and a 12-month trading range extending from deeper lows toward mid-range highs. This broader range and higher weekly movement reflect a more dynamic trading profile, likely driven by exploration news flow, drilling campaign updates and general uranium sector sentiment. The price behavior exhibits characteristics of an earlier stage uptrend that has experienced periodic profit-taking and consolidation, suggesting that while investor interest and momentum have been stronger than in UE, the market is also digesting gains and adjusting to exploration results.

Over the past thirty days , UE's share price has mostly traded in a relatively narrow range around roughly C$0.08 – C$0.10, consistent with a sideways consolidation pattern following recent modest swings. The price has been anchored near C$0.09 in recent sessions, showing limited directional momentum and reflecting stabilization rather than a strong breakout, which is typical for an early-stage explorer with limited liquidity and minimal news catalysts. This pattern suggests that market participants are waiting for new fundamental developments or exploration progress before committing to a definitive uptrend, resulting in muted volatility and a neutral overall short-term technical profile.

Over the past thirty days, PEGA's share price has generally traded within a relatively narrow range of approximately C$0.055 – C$0.070, reflecting limited directional momentum and relatively low trading volumes typical of early-stage exploration issuers. The price has tended to anchor near approximately C$0.06 – C$0.065 in recent sessions, indicating a period of consolidation following modest fluctuations. This trading pattern suggests that market participants are maintaining a neutral stance toward PEGA while awaiting further exploration progress, corporate developments, or broader improvements in uranium sector sentiment. Such relatively muted price movement and narrow trading range are common for early-stage mineral exploration companies with limited near-term catalysts and relatively small market capitalizations, resulting in a stable but low-volatility short-term technical profile.

In determining the fair market value of the common shares of AERO / UE / PEGA consideration was given to recent trading activity in each issuer's shares in accordance with IFRS 13 – Fair Value Measurement. While quoted closing prices represent Level 1 inputs within the fair value hierarchy, both securities exhibited short-term volatility and, in certain periods, relatively thin trading volumes. Accordingly, greater weight was placed on the 20-trading-day volume-weighted average price, which reflects the weighted average price at which shares transacted over a sustained period and therefore better represents the price achievable in an orderly transaction between market participants at the measurement date.

The use of a 20-day VWAP mitigates the impact of isolated end-of-day trades, temporary volatility, and short-term market fluctuations, and is consistent with market practice in pricing transactions within the junior resource sector. This approach is also aligned with IVS, which require that fair value measurements reflect market participant assumptions and maximize the use of relevant observable market evidence. By incorporating observable trading data over a reasonable measurement period, the selected methodology reflects a market-based, supportable fair value consistent with both IFRS 13 and IVS principles.

v. Considering the cash that AERO has on-hand versus the technical and exploration work needed for the UE and PEGA's projects – and that such cash does provide needed next stage exploration work on these projects to move towards inferred and indicated resources.

vi. Considering the additional needed longer-term financing of going forward and the likely dilution that shareholders of UE and PEGA would face; and the additional C$11.5m Funding.

vii. Merging in the current uranium exploration market is strategically sound given improving long-term uranium fundamentals, increasing global nuclear demand, and renewed investor interest in supply security.

In a sector characterized by early-stage geological risk and capital intensity, consolidation enhances scale, strengthens balance sheets, improves liquidity, and broadens market visibility, all of which can reduce financing risk and narrow valuation discounts typically applied to smaller single-asset issuers.

A combined platform also diversifies exploration risk across multiple projects, increases discovery optionality, and creates operational efficiencies through shared technical expertise and administrative functions. In this environment, scale and diversification can meaningfully improve capital market competitiveness and position the merged entity to better capture value as uranium market conditions continue to evolve.

viii. If UE and/or PEGA tried to raise multi-million dollars of exploration capital on their own (the amount AERO effectively brings via cash-on-hand), and the additional C$11.5m Funding, it would almost certainly be at a material discount to market (junior explorer reality). It would likely include warrants. It would meaningfully increase fully diluted shares outstanding.

ix. Instead UE and PEGA shareholders receive equity positions from AERO that provides each of them consideration approximates their values on a pre-business combination basis – of what will be a better-capitalized, diversified public company. This appears to be structurally more efficient capital. It does appear that AERO is giving UE and PEGA capital at a lower "cost of equity" than the market would.

10.0 CONCLUSION AS TO FAIRNESS

UE / AERO Separate Business Combination based on UE / AERO Arrangement

- Based upon RwE's valuation work and subject to all of the foregoing, RwE is of the opinion, as at the Valuation Date, that the terms of the AERO/UE Business Combination between UE and AERO – with or without the announced financing – on a standalone basis - is fair, from a financial point of view, to all of the shareholders of UE as is shown in Schedule 5.1. ***The consideration issued to UE based solely on the UE/AERO Arrangement is, thus fair, from a financial point of view to all of the UE Shareholders.***

UE / PEGA Separate Business Combination based on PEGA / AERO Arrangement

- Based upon RwE's valuation work and subject to all of the foregoing, RwE is of the opinion, as at the Valuation Date, that the terms of the AERO/PEGA Business Combination between PEGA and AERO – with or without the announced financing – on a standalone basis - is fair, from a financial point of view, to all of the shareholders of PEGA as is shown in Schedule 5.1. ***The consideration issued to PEGA based solely on the PEGA/AERO Arrangement is, thus fair, from a financial point of view to all of the PEGA Shareholders.***

In assessing the fairness of the terms of the above two separate AERO/UE Business Combination and the AERO/PEGA Business Combination, RwE has considered, *inter alia*, the following:

1. The valuation of AERO / UE / PEGA as set out in the RwE Report's Schedules.

2. From a financial point of view, the AERO/UE Business Combination and the AERO/PEGA Business Combination is fair to shareholders of UE and PEGA because it provides immediate access to a better capitalized balance sheet without the significant dilution, pricing discounts, and warrant overhang that would be required to raise a comparable amount of capital through a standalone equity financing. The resulting ownership to UE and PEGA of the combined entity preserves meaningful upside exposure to the UE / PEGA projects while materially reducing funding, execution, and single-asset risk. In the opinion of RwE, a reasonable market participant would prefer this outcome to an alternative financing scenario, and accordingly the transaction consideration is fair within the meaning of International Valuation Standards.

3. While transaction premiums are frequently observed in cash acquisitions involving a change of control, the absence of a premium in the proposed share-for-share combination does not indicate unfairness. In a traditional takeover, a premium

compensates target shareholders for relinquishing control and future upside. In the AERO/UE Business Combination (as announced on March 2, 2026 and updated March 4, 2026), however, UE shareholders will receive approximately 36% - 38%% of MANU and therefore retain effective control of the combined entity. As such, UE shareholders are not surrendering control; rather, they are exchanging their existing shares for a proportionate majority interest in a larger, better capitalized platform. The exchange ratio is based on observable market-derived fair values for both issuers, and ownership in the combined entity directly reflects each party's relative contribution of value. Consequently, no economic value is transferred from UE shareholders to AERO shareholders. Any potential synergies, scale benefits, or future exploration upside are shared proportionately by both shareholder groups. Accordingly, the absence of a transaction premium is consistent with the structure of a relative value merger and does not, in and of itself, imply financial unfairness to UE shareholders.

4. While transaction premiums are frequently observed in cash acquisitions involving a change of control, the absence of a premium in the proposed share-for-share combination does not indicate unfairness. In a traditional takeover, a premium compensates target shareholders for relinquishing control and future upside. In the AERO/PEGA Business Combination (as announced on March 2, 2026 and updated March 4, 2026), however, PEGA shareholders will receive approximately 4% – 5% of MANU and therefore retain a continuing ownership interest in the combined entity and its future exploration potential. As such, PEGA shareholders are not surrendering their participation in the potential upside of the underlying exploration assets; rather, they are exchanging their existing shares for a proportionate ownership interest in a larger and better capitalized exploration platform with a broader portfolio of uranium assets and access to additional exploration capital. The exchange ratio is based on observable market-derived fair values for both issuers, and ownership in the combined entity reflects each party's relative contribution of value to the transaction. Consequently, no economic value is transferred from PEGA shareholders to the other participating shareholders. Instead, PEGA shareholders participate proportionately in the potential benefits of the combined company, including improved access to capital markets, a larger exploration asset portfolio, and enhanced exploration scale. Accordingly, the absence of a transaction premium is consistent with the structure of a relative value merger and does not, in and of itself, imply financial unfairness to PEGA shareholders.

5. The analysis further indicates that the ownership interests received by shareholders of the participating issuers in the resulting entity are broadly proportionate to the relative fair market values of the assets and equity contributed by each party, indicating that the exchange ratios underlying the AERO/UE Business Combination and the AERO/PEGA Business Combination appropriately reflect the relative financial contributions of the respective companies.

6. It is also important to recognize that the AERO/UE Business Combination and the AERO/PEGA Business Combination – each separately - represents a relative value merger rather than a traditional cash acquisition. Accordingly, the fairness analysis focuses on whether each shareholder group receives ownership in the resulting issuer

that is broadly proportionate to the fair market value of the assets and equity contributed. While the concurrent financing results in modest dilution to the legacy shareholders, the additional capital materially strengthens the resulting issuer and benefits all continuing shareholders by improving the company's ability to advance exploration programs and realize the potential value of the combined mineral property portfolio. The analysis further indicates that the ownership interests received by shareholders of the participating issuers in the resulting entity are broadly proportionate to the relative fair market values of the assets and equity contributed by each party, indicating that the exchange ratios underlying the separate AERO/UE Combination and the AERO/PEGA Combination appropriately reflect the relative financial contributions of the respective companies.

7. The AERO/UE Combination and the AERO/PEGA Combination are subject to separate shareholder approvals. They have been considered separately and the fairness of each transaction has been assessed without any reliance on the other closing. In addition, fairness was evaluated under multiple reasonable transaction outcomes – per the AERO announced transaction - to ensure that the conclusions remain robust regardless of the final combination of the transaction elements completed separately for the AERO/UE Business Combination and the separate AERO/PEGA Business Combination.

8. Outstanding warrants, options, and other convertible securities of AERO / UE / PEGA were not separately valued for purposes of this Fairness Opinion because, pursuant to the separate business combinations structure, such instruments will be exchanged or assumed by the resulting issuer on substantially equivalent economic terms, adjusted solely to reflect the agreed exchange ratio. The fairness analysis has been conducted on a fully diluted basis to the extent necessary to assess relative ownership; however, these instruments are not being cancelled for value, repriced, accelerated in a manner that benefits one party disproportionately, or otherwise modified to create incremental economic advantage. Accordingly, no net transfer of value arises between the respective shareholder groups as a result of their continuation. Any dilution resulting from the future exercise of such instruments will apply proportionately to all shareholders of the combined entity. As these instruments are being assumed or exchanged on substantially equivalent economic terms and adjusted solely for the exchange ratio, no incremental economic benefit accrues disproportionately to either shareholder group. Consistent with IFRS 13's market-based measurement framework, the fair value analysis focuses on the equity interests being exchanged between market participants; as the convertible instruments will remain economically equivalent and pro rata in effect, a separate valuation of such instruments was not necessary to determine the fairness of the exchange ratio to UE and/or PEGA shareholders.

9. RwE has not attempted to quantify other additional qualitative potential benefits. Certain additional potential benefits are as follows:

    i. Reduced Financing and Execution Risk. By combining with a better-capitalized entity, UE shareholders reduce exposure to ongoing equity financing risk,

market-timing risk, and potential dilution associated with future capital raises required to fund exploration and development activities.

ii. Enhanced Portfolio Diversification. The transaction results in a broader, geographically diversified asset portfolio across multiple jurisdictions and mineral systems, reducing single-asset and single-jurisdiction risk and improving the overall risk profile of the combined entity.

iii. Improved Market Visibility and Liquidity. The Resulting Issuer is expected to benefit from increased market presence, a broader shareholder base, and improved trading liquidity, particularly through enhanced exposure to both Canadian and the U.S. capital markets.

iv. Strategic Flexibility and Optionality. The transaction is expected to provide greater strategic flexibility, including the ability to prioritize and sequence exploration programs, pursue joint ventures or strategic partnerships, and respond more effectively to favorable commodity price and capital market conditions.

v. Private Placements Challenges. Private placements remain difficult for mineral exploration firms that have not developed properties and started production over an extended period.

   Terms and conditions, although improving due to an improving uranium market in 2025, still do not appear as favorable to such companies as at the Valuation Date as they once did. Private placements remain a viable financing option for more senior and strong larger companies, especially those on development and production; however, typical deal structures and terms are changing. Terms and conditions do not appear favorable to standalone early-stage uranium exploration companies.

11.0 QUALIFICATIONS AND CERTIFICATE

11.1 Qualifications

The Report preparation, and related fieldwork and due diligence investigations, were carried out by Richard W. Evans, MBA, CBV, ASA and other analysts of RwE, who were fully supervised by Mr. Evans.

Since 1994 Richard W. Evans has been involved in the financial services and management consulting fields and has been involved in the preparation of over 5,000 technical and assessment reports, business plans, business valuations, and feasibility studies.

Richard Evans is a Principal of RwE.

He has fifteen years of experience working in the areas of valuation, litigation support, mergers & acquisitions and capital formation. He has more than 10 years of management experience in the high-tech field where he held various positions in technical support, development, marketing, project manager, channels management and senior management positions.

Prior to focusing on expanding and diversifying a small financial consulting firm, Richard was extensively involved in the high technology sector in Western Canada and the U.S. Pacific Northwest where he served for two years as the General Manager of Sidus Systems Inc.

At Sidus he was directly responsible for managing the firm's US$15 million business operation throughout Western Canada and the Pacific Northwest. Previous to this, he spent almost nine years with Digital Equipment of Canada Limited where he was involved in a technical support, sales, marketing, project management and eventually channels management capacity.

RwE has conducted numerous valuations and fairness opinions of mineral and resource companies in the last thirty years which its clients, their advisors, buyers, planners, accountants and the courts and regulatory bodies have been satisfied and relied on RwE as a qualified valuator.

Some of the reports he has authored have been used by the court systems in B.C., Alberta and Ontario as well as in the U.S. and Europe. He has also done work for public regulatory boards and groups worldwide. Richard has been actively involved in the above professional services with hundreds of companies and has served as a board member for a select number of public and private firms.

His area of professional expertise is in middle market and micro-cap companies, especially firms needing advice and assistance with their business plans, operating plans and valuations.

RwE, and Richard, have done numerous valuation and fairness opinions on mineral properties and precious mineral companies over the past thirty years. RwE is qualified to conduct the valuation and fairness opinion work on the AERO/UE Combination and the AERO/PEGA Combination.

Richard is extensively involved in sports coaching management and volunteer work throughout BC helping young adults and volunteer associations. He obtained his Bachelor of Business Administration degree from Simon Fraser University, British Columbia in 1981 as well as completed his Master's degree in Business Administration at the University of Portland, Oregon in 1984 (where he graduated with honors).

Richard holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser. He is a member in good standing with both the Canadian Institute of Chartered Business and the American Society of Appraisers.

11.2 Certification and Independence

The analyses, opinions, calculations and conclusions were developed, and this Report has been prepared in accordance with the standards set forth by the Canadian Institute of Chartered Business Valuators and follows standards.

RwE was paid a professional fee, plus GST taxes for the preparation of the Report by UE.

RwE was paid a professional fee, plus GST taxes for the preparation of the Report by PEGA.

The professional fee established for the Report has not been contingent upon the value or other opinions presented and/or any specific outcome regarding the separate AERO/UE Combination and the AERO/PEGA Combination.

The authors of the Report have no present or prospective interest in AERO / UE / PEGA and/or any of the Parties and/or any other entity / company / property that is the subject of this Report.

RwE and its principal has no personal interest with respect to any of the Parties involved with any of the entities or properties described within this Report.

RwE has relied on information and data provided to it by AERO / UE / PEGA's Boards and management teams.

RwE advises UE and PEGA and all parties that this Report may not be accepted by any and/or all outside parties (e.g., including Regulators, shareholders, outsiders, etc.), who may have different views and opinions. All Readers and Parties are advised of this.

It is understood that this Report is solely for the information of the UE Board and the PEGA Board and is rendered to the UE Board and PEGA Board in connection with their consideration of the AERO/UE Combination and the AERO/PEGA Combination and may not be used for any other purpose or relied upon by any other person without RwE's prior written consent.

RwE GROWTH PARTNERS, INC.

Richard W Evans, MBA, CBV, ASA
Principal

Chartered Business Valuator, Canadian Institute of Chartered Business Valuators
Accredited Senior Appraiser, American Society of Appraisers

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REPRESENTATION & WARRANTY LETTER

Urano Energy Corp. ("UE")
and
Pegasus Resources Inc ("PEGA")

TO: RwE Growth Partners, Inc. **Attention: Richard W. Evans**
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Disclosure of Information for the Fairness Opinion (the "Report")
regarding a Proposed Transaction between Aero Energy Limited
and/or
Urano Energy Corp. ("UE") / Pegasus Resources Inc ("PEGA")

The undersigned parties, duly elected directors of UE and PEGA, hereby represent, warrant and certify, on behalf of UE and PEGA (the "Companies") and not in their personal capacity, the following:

1. To the knowledge of the undersigned, the Companies have provided all pertinent and necessary information, to RwE Growth Partners, Inc. ("RwE") for their preparation of the Report, dated, for reference, March 7, 2026.

2. UE and PEGA have reviewed the entire Report and thereafter provided all necessary feedback and information requested by RwE so that RwE is now in a position to issue a final, authorized and signed Report.

3. To the knowledge of the undersigned, UE and PEGA have made full, true and plain disclosure to RwE concerning their transaction with AERO and that UE / PEGA and all of their subsidiaries and entities, their assets and liabilities, the terms and conditions of the Proposed Transaction (all as stated in the Report) and all elements related to the Proposed Transaction – as is reflected in the Report, including (as requested by RwE):

    - Full technical data available on the assets related to the Mineral Rights at the UE Projects and the PEGA Projects (the "Projects").
    - All financial records and related data on UE/PEGA and on all aspects of the Proposed Transaction and all related matters
    - Any and all material contracts and agreements
    - Existing and previous data, documentation, and other information required for the completion of the Report

4. There have been, and are, no:

   - Material interests involving UE and/or PEGA and/or their directors, management or anyone else involved in the Proposed Transaction or with any of the related parties to either form that have not been entirely disclosed.

   - Communications from any government, court, commission or regulatory body or agency of the federal, provincial, or municipal governments or related bodies concerning any violations of any laws, regulations or rulings thereof concerning UE and/or PEGA or any assets involved in the Proposed Transaction.

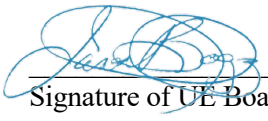
5. We have no plans or intentions that may cause the representations, disclosures and information made in the Report to be inaccurate or misleading.

6. As at the date of the Report there is no litigation threatened, including any class action lawsuits or shareholder dissent remedies, actions against UE and/or PEGA or the planned go-forward entity not disclosed in the Report.

7. UE / PEGA are in good standing with all securities regulators in Canada.

8. No material events have occurred before, or subsequent to, the date of the Report that would in the opinion of UE and/or PEGA require amendment, revision, or disclosure in the Report with regard to the Projects to the best of our knowledge.

9. To the knowledge of the undersigned, there is no material facts, data or information regarding UE and/or PEGA or the Proposed Transaction, or any of the parties involved, that is not disclosed in the Report that would be material to its conclusions.

Jason Bagg	Christian Timmins
Name of a UE Board Member	Name of a PEGA Board Member
 March 20, 2026	Christian Timmins 03/20/2026
Signature of UE Board Member / Date	Signature of PEGA Board Member / Date

APPENDICES

Appendix 1.1 – Arrangement Agreement between AERO and UE (available from UE Directly)

Appendix 1.2 – Arrangement Agreement between AERO and PEGA (available from UE Directly)

Appendix 2.1 – Compiled Financial Statements of AERO as at October 31, 2025 (available from AERO Directly)

Appendix 3.1 – Compiled Financial Statements of UE as at September 30, 2025 (available from UE Directly)

Appendix 4.1 – Compiled Financial Statements of PEGA as at November 30, 2025 (available from PEGA Directly)

SCHEDULES

Schedule 1.1 – AERO Allocation of Adjusted Net Assets and FV of Related Mineral Rights

Schedule 2.1 – UE Allocation of Adjusted Net Assets and FV of Related Mineral Rights

Schedule 3.1 – PEGA Allocation of Adjusted Net Assets and FV of Related Mineral Rights

Schedule 4.1 – Adjusted Pro Forma Balance Sheet and Implied Market Value Analysis of the Resulting Issuer (Urano Energy Corp./Aero Energy Limited/Pegasus Resources Inc.)

Schedule 5.1 – Merger of 100% of the Equity of Aero Energy Limited ("AERO") and 100% of the Equity of Urano Energy Corp. ("UE") and Possibly 100% of the Equity of Pegasus Resources Inc. ("PEGA") – the Fairness Opinion Calculation

Urano Energy Corp.

Effective Date of the Valuation: February 27, 2026

Schedule 1.0

Overview of the separate AERO/UE Combination and the AERO/PEGA Combination

AERO/UE Business Combination

Item	Description
Transaction structure	Combination of Aero Energy Limited and Urano Energy Corp. through share exchange arrangement
Exchange ratios	UE shareholders receive AERO shares based on a fixed exchange ratio
Resulting issuer	Combined uranium exploration company holding the exploration assets of UE and AERO
Ownership	Ownership distributed among legacy shareholders and financing participants based on exchange ratios and financing issuance

AERO/PEGA Business Combination

Item	Description
Transaction structure	Combination of Aero Energy Limited and Pegasus Resources Inc. share exchange arrangement
Exchange ratios	PEGA shareholders receive AERO shares based on a fixed exchange ratio
Resulting issuer	Combined uranium exploration company holding the exploration assets of PEGA and AERO
Ownership	Ownership distributed among legacy shareholders and financing participants based on exchange ratios and financing issuance

AERO Announced Financing

Announced Financing	Concurrent financing of approximately $11.5 million consisting of subscription receipts and charity flow-through units https://www.newsfilecorp.com/release/286282/Aero-Energy-Urano-Energy-and-Pegasus-Resources-Announce-Upsize-of-Financing-to-11.5-Million

Aero Energy Limited

Effective Date of the Valuation: February 27, 2026

Schedule 1.1

Allocation of Adjusted Net Assets - Adjusted Book Value

Canadian dollars

	Canadian dollars Net Book Value as at 02/27/2026 using 10/31/2025 data Compiled - CAUTION	Fair Value Adjustment	Tangible Asset Backing	Allocation of Adjusted Net Assets: Redundant Net Assets	Financing Liabilities	Operating Net Assets	Notes
ASSETS							
CURRENT ASSETS							
Cash and cash equivalents	$ 102,267	$ 4,750,000	$ 4,852,267	$ -	$ -	$ 4,852,267	1
Other receivables	$ 131,596	$ -	$ 131,596	$ -	$ -	$ 131,596	2
Deposits	$ -	$ -	$ -	$ -	$ -	$ -	
Marketable securities	$ -	$ -	$ -	$ -	$ -	$ -	
Prepaid expenses	$ 45,588	$ -	$ 45,588	$ -	$ -	$ 45,588	
	$ 279,451	$ 4,750,000	$ 5,029,451	$ -	$ -	$ 5,029,451	
OTHER ASSETS							
Reclamation bonds	$ -	$ -	$ -	$ -	$ -	$ -	
Plant and equipment	$ -	$ -	$ -	$ -	$ -	$ -	
Advances to joint venture partners	$ 15,604	$ -	$ 15,604	$ -	$ -	$ 15,604	
Exploration and evaluation assets	$ 6,606,850	$ (6,606,850)	$ -	$ -	$ -	$ -	3
	$ 6,622,454	$ (6,606,850)	$ 15,604	$ -	$ -	$ 15,604	
TOTAL ASSETS	$ 6,901,905	$ (1,856,850)	$ 5,045,055	$ -	$ -	$ 5,045,055	
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued liabilities	$ 348,470	$ -	$ 348,470	$ -	$ -	$ 348,470	
Other	$ -	$ -	$ -	$ -	$ -	$ -	
	$ 348,470	$ -	$ 348,470	$ -	$ -	$ 348,470	
LONG-TERM LIABILITIES							
Debt	$ -	$ -	$ -	$ -	$ -	$ -	
	$ -	$ -	$ -	$ -	$ -	$ -	
TOTAL LIABILITIES	$ 348,470	$ -	$ 348,470	$ -	$ -	$ 348,470	
NET ASSETS	$ 6,553,435	$ (1,856,850)	$ 4,696,585	$ -	$ -	$ 4,696,585	
Cash burn 11/01/2025 to 02/27/2026 approx. C$75,000/month						$ (300,000)	
Net						$ 4,396,585	
Net Working Capital (excludes cash and debt)						$ (171,286)	
Working Capital						$ 4,680,981	
Redundant assets / liabilities				$ -			
Net financing liabilities					$ (171,286)		
Net Assets after Cash Burn to Valuation Date						$ 4,396,585	
Plus/Less: Net Financing Obligations						$ (171,286)	
Total						$ 4,225,000	
FV of the Mineral Rights at AERO's projects based on Level 2 Hierarchy of Value Inputs (IVS/CIMVal)						$ 7,000,000	4
Adjusted Book Value of AERO (rounded)						$ 11,200,000	

Notes

1 Aero raised Post-money valuation C$6,674,877

10,869,565	AERO PP shares (Non Flow Through)
$ 0.230	price/shares
$ 2,500,000	capital raised
$ 125,000	Less: estimated costs/fees
$ 2,375,000	Net
7,142,857	AERO PP shares (Charity Flow Through)
$ 0.350	price/shares
$ 2,500,000	capital raised
$ 125,000	Less: estimated costs/fees
$ 2,375,000	Net
$ 4,750,000	Estimated Total Net Raised

December 2025
Consolidation ratio: 10 old AERO Shares for 1 new AERO Shares
Shares outstanding go from 181,516,273 to ~18,151,638

18,151,638
10,869,565
7,142,857
36,164,060

2 BV = FV based on discussions with Mgt.

3 The recorded carrying value of exploration and evaluation assets has been removed and replaced with fair value determined under the Cost & Market Method in accordance with CIMVal and International Valuation Standards.

4 Valuation of Mineral Properties (Using Level 2 Inputs of FV Hierarchy) - Cost and Market Methods

Cost Method

AERO reports Exploration & Evaluation Assets of C$6,606,850 as at October 31, 2025.

$	4,158,264	Fortune Bay option/JV interest: ~$4.158m (supported by arm's-length earn-in framework)
		Monies have been spend to get to first option of 51%; intent to get to 70% asap
$	2,436,121	Apex (Nevada): ~$2.436m (market-calibrated acquisition allocation + subsequent spend)
$	12,465	Huber Hills: ~$0.012m (no value allocated in acquisition)
$	6,606,850	
$	-	Other
$	-	
$	6,606,850	Total Incurred Costs
$	330,343	Adjustment to remove non-property related G&A et al expenditures not attributable to mineral property value
$	6,280,000	Rounded

Selected Multiplier 1.11 x

$ 7,000,000

Prospective Enhancement Multiplier	
Criteria	
0.1 – 0.5	Exploration (past and present) has downgraded the tenement prospectivity, no mineralization identified
0.5 – 1.0	Exploration potential has been maintained (rather than enhanced) by past and present activity from regional mapping
1.0 – 1.3	Exploration has maintained, or slightly enhanced (but not downgraded) the prospectivity
1.3 – 1.5	Exploration has considerably increased the prospectivity (geological mapping, geochemical or geophysical)
1.5 – 2.0	Scout Drilling has identified interesting intersections of mineralization
2.0 – 2.5	Detailed Drilling has defined targets with potential economic interest.
2.5 – 3.0	A resource has been defined at Inferred Resource Status, no feasibility study has been completed
3.0 – 4.0	Indicated Resources have been identified that are likely to form the basis of a prefeasibility study
4.0 – 5.0	Indicated and Measured Resources

Applying the Cost Approach to Valuation of Exploration Stage Mineral Assets. The "range of reason" comprises PEMs between 0 and 5, while "usual" values would be between 0.5 and 3. Onley and Duncan (1994) and Lawrence & Dewar (1999).

Selection PEM Range is based on review of technical materials, discussions with UE's technical team, review of industry transactions, exploration work and historical findings and enhanced prospectivity

Aero Energy Ltd. holds uranium exploration property interests consisting primarily of:

Property	Jurisdiction	Interest	Stage
Fortune Bay (Murmac / Strike)	Saskatchewan	Option to earn up to 70%	Early exploration
Apex Uranium Project	Nevada	100%	Early exploration

Market Method

Comparable Uranium Explorer EV Comparison Table

Company	EV (C$ mm)	Mineral Assets (C$ mm)	EV / Mineral Assets
Aero Energy	18.5	6.6	**2.8x**
Azincourt Energy	18	7	2.6x
Standard Uranium	25	9	2.8x
Purepoint Uranium	32	12	2.7x
ALX Resources	20	8	2.5x
Forum Energy Metals	40	14	2.9x
Baselode Energy	45	15	3.0x
Skyharbour Resources	120	40	3.0x
CanAlaska Uranium	110	38	2.9x
Blue Sky Uranium	55	20	2.8x

Company	Enterprise Value	Property Value	Property % of EV
Purepoint	17M	9M	53%
Skyharbour	70M	40M	57%
Standard Uranium	21M	11M	52%
Forum Energy	33M	18M	55%
Baselode	37M	19M	51%

Analysis of comparable publicly traded uranium exploration companies indicates that mineral property interests typically represent approximately 50% to 60% of enterprise value, with observed ranges between approximately 48% and 61%. Applying this empirically supported range to AERO's enterprise value of approximately $14.2 million implies a mineral property fair value range of approximately $6.4 million to $8.5 million. Based on reconciliation of these market indicators, the fair value of AERO's mineral property interests is reasonably concluded to be approximately $7.0 million.

Pre- Business Combination - Fair Market Value of AERO	$ 17,065,820
Adjusted Book Value of AERO	$ 11,200,000
Multiple of ABV	1.52 x

The lower multiple is explained by:
1. AERO's ABV includes substantial cash raised immediately prior to valuation.
2. Cash is valued at 1.0×, lowering blended ABV multiple.
3. UE's ABV is primarily mineral assets, which carry higher optionality premiums.
4. AERO's equity still trades at a significant premium to ABV.
5. AERO's multiple remains well within normal uranium exploration company valuation ranges.

AERO's equity value to adjusted book value multiple of approximately 1.52x is reasonable and appropriate. AERO's adjusted book value includes approximately C$4.85 million of recently raised cash, which is carried at fair value and therefore compresses the overall equity value to adjusted book value multiple relative to UE/PEGA, whose adjusted book values consist primarily of mineral exploration assets. Mineral exploration companies typically trade at premiums above adjusted book value due to exploration optionality, while cash components are valued at par. AERO continues to trade at a meaningful premium to adjusted book value, reflecting market recognition of the value of its mineral property portfolio and exploration platform. Accordingly, AERO's lower equity value to adjusted book value multiple relative to UE is expected and does not indicate any inconsistency in the overall valuation approaches.

Urano Energy Corp.

Effective Date of the Valuation: February 27, 2026 **Schedule 2.1**

Allocation of Adjusted Net Assets - Adjusted Book Value

Canadian dollars

	Net Book Value as at 02/27/2026 using 09/30/2025 data	Fair Value Adjustment	Tangible Asset Backing	Allocation of Adjusted Net Assets: Redundant Net Assets	Financing Liabilities	Operating Net Assets	Notes
ASSETS	Compiled - CAUTION						
CURRENT ASSETS							
Cash and cash equivalents	$ 306,645	$ -	$ 306,645	$ -	$ -	$ 306,645	
Accounts receivables	$ 8,590	$ -	$ 8,590	$ -	$ -	$ 8,590	
Deposits	$ -	$ -	$ -	$ -	$ -	$ -	
Marketable securities	$ 157,188	$ 33,758	$ 190,946	$ -	$ -	$ 190,946	1
Prepaid expenses	$ 59,619	$ -	$ 59,619	$ -	$ -	$ 59,619	
	$ 532,042	$ 33,758	$ 565,800	$ -	$ -	$ 565,800	
OTHER ASSETS							
Reclamation bonds	$ 6,801		$ 6,801	$ -	$ -	$ 6,801	
Equipment	$ 2,155		$ 2,155	$ -	$ -	$ 2,155	2
Exploration and evaluation assets	$ 7,046,420	$ (7,046,420)	$ -	$ -	$ -	$ -	3
	$ 7,055,376	$ (7,046,420)	$ 8,956	$ -	$ -	$ 8,956	
TOTAL ASSETS	$ 7,587,418	$ (7,012,662)	$ 574,756	$ -	$ -	$ 574,756	
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued liabilities	$ 191,704	$ -	$ 191,704	$ -	$ -	$ 191,704	
Other	$ -	$ -	$ -	$ -	$ -	$ -	
	$ 191,704	$ -	$ 191,704	$ -	$ -	$ 191,704	
LONG-TERM LIABILITIES							
Debt	$ -	$ -	$ -	$ -	$ -	$ -	
	$ -	$ -	$ -	$ -	$ -	$ -	
TOTAL LIABILITIES	$ 191,704	$ -	$ 191,704	$ -	$ -	$ 191,704	
NET ASSETS	$ 7,395,714	$ (7,012,662)	$ 383,052	$ -	$ -	$ 383,052	
Cash burn 10/01/2025 to 02/11/2026 approx. C$29,000/month						$ (145,000)	4
Net						$ 238,052	
Net Working Capital (excludes cash and debt)						$ 67,451	
Working Capital						$ 374,096	
Redundant assets / liabilities				$ -			
Net financing liabilities					$ 67,451		
Net Assets after Cash Burn to Valuation Date						$ 238,052	
Plus/Less: Net Financing Obligations						$ 67,451	
Net						$ 306,000	
FV of the Uranium / Gold Mineral Rights (USA/Canada) based on Level 2 Hierarchy of Value Inputs (IVS/CIMVal)						$ 7,500,000	5
Adjusted Book Value of UE						$ 7,806,000	

Notes

1 BV = FV based on discussions with Mgt. and review of firms (as was available)

75,000	Independence Gold Corp (TSX-V: IGO) Shares
$ 0.105	price/shares
$ 7,875	market value
$ 79	Less: costs/fees to realize value
$ 7,796	Fair Value
1,000,000	Klondike Gold Corp (TSX-V: KG) Shares
$ 0.160	price/shares
$ 160,000	market value
$ 1,600	Less: costs/fees to realize value
$ 158,400	Fair Value
500,000	Engineer Gold Mines Ltd. Shares (not quoted on market)
$ 0.050	price/shares
$ 25,000	market value
$ 250	Less: costs/fees to realize value
$ 24,750	Fair Value
$ 190,946	Total Fair Value of Marketable Securities

2 BV = FV based on discussions with Mgt.

3 The recorded carrying value of exploration and evaluation assets has been removed and replaced with fair value determined under the

Cost & Market Method in accordance with CIMVal and International Valuation Standards.

4 Reduced the Net Assets of the Company by the estimated cash burn from October 1, 2025 to February 11, 2026.

5 Valuation of Mineral Properties (Using Level 2 Inputs of FV Hierarchy) - Cost and Market Methods

Cost Method

UE reports Exploration & Evaluation Assets of C$7,046,420 as at September 30, 2025.

		Uranium (Utah/Colorado) total ~C$3.9m:
$	654,806	Melinda (UT): C$654,806
$	23,539	Blue Jay (UT): C$23,539
$	225,723	Sun (UT): C$225,723
$	386,920	Uravan (CO): C$386,920
$	2,613,432	Kimmerle (UT/CO leases/claims package): C$2,613,432
$	3,904,420	
		Gold (Yukon + residual NL) total ~C$3.1m:
$	1,285,393	Sonora Gulch (YT): C$1,285,393
$	1,822,810	Rosebute (YT): C$1,822,810
$	-	Bishop (YT) + minor YT/NL items: small residual
$	3,108,203	
$	266,000	UE discloses a subsequent event (post September 30, 2025): the acquisition of the past-producing Snow and Probe uranium mines (Utah) from enCore, for ~C$65,981 cash + C$200,000 in shares (≈ C$0.266m total consideration).
$	7,278,623	Total Incurred Costs
$	363,931	Adjustment to remove non-property related G&A et al expenditures not attributable to mineral property value
$	6,910,000	Rounded

Selected Multiplier 1.08 x

$7,460,000

Prospective Enhancement Multiplier	
	Criteria
0.1 – 0.5	Exploration (past and present) has downgraded the tenement prospectivity, no mineralization identified
0.5 – 1.0	Exploration potential has been maintained (rather than enhanced) by past and present activity from regional mapping
1.0 – 1.3	Exploration has maintained, or slightly enhanced (but not downgraded) the prospectivity
1.3 – 1.5	Exploration has considerably increased the prospectivity (geological mapping, geochemical or geophysical)
1.5 – 2.0	Scout Drilling has identified interesting intersections of mineralization
2.0 – 2.5	Detailed Drilling has defined targets with potential economic interest.
2.5	A resource has been defined at Inferred Resource Status, no feasibility study has
3.0	Indicated Resources have been identified that are likely to form the basis of a
4.0 – 5.0	Indicated and Measured Resources

Applying the Cost Approach to Valuation of Exploration Stage Mineral Assets. The "range of reason" comprises PEMs between 0 and 5, while "usual" values would be between 0.5 and 3. Onley and Duncan (1994) and Lawrence & Dewar (1999).

Selection PEM Range is based on review of technical materials, discussions with UE's technical team, review of industry transactions, exploration work and historical findings and enhanced prospectivity

Market Method

Summary of Comparable Transactions

Comparable Transaction	Jurisdiction	Asset Stage	Consideration (CAD equivalent)	Structure	Royalty / Encumbrance	Relevance Assessment
UE – Snow and Probe Mines Acquisition	Utah, USA	Past-producing uranium mines; restart optionality	~$266,000	Cash and shares	Vendor retained royalty interest	Direct arm's-length acquisition by subject company; establishes market pricing benchmark for comparable uranium assets
UE – Kimmerle Uranium Property Package	Utah / Colorado, USA	Exploration properties; historical mineralization	~$2,100,000 (initial consideration; excludes staged payments)	Cash, shares, staged payments	Gross uranium royalty and vanadium NSR retained	Highly comparable acquisition within subject portfolio; arm's-length negotiated transaction
Colorado Plateau Uranium Property Acquisition (Peer Junior Issuer)	Utah / Colorado, USA	Exploration and past-producing properties	~$1,000,000 to ~$5,000,000	Cash, shares, staged payments	Typical 1%–3% NSR retained	Representative of early-stage uranium property acquisition pricing in primary U.S. uranium district
Skull Creek Uranium Property Acquisition	Colorado, USA	Exploration property; historical resource indication	~$700,000 to ~$1,500,000 (initial consideration)	Cash and shares	2% NSR retained	Comparable uranium exploration property acquisition in similar geological region
Utah Uranium-Vanadium Property Acquisition (Peer Issuer)	Utah, USA	Advanced exploration; historical drilling and workings	~$5,000,000 (total potential consideration)	Staged payments over multi-year period	NSR royalty retained	Demonstrates pricing range for more advanced exploration assets with defined historical mineralization
Multi-Property Uranium Acquisition Package (Peer Junior Issuer)	Western USA	Portfolio of exploration uranium properties	~$4,000,000 to ~$8,000,000	Cash, shares, milestone payments	Vendor retained royalty interests	Directly comparable multi-property uranium acquisition structure and pricing
Resource-Stage Uranium Project Acquisition (Peer Issuer)	USA	Advanced exploration / historical resource stage	~$6,000,000 to ~$15,000,000	Cash and share consideration	Royalty interests retained	Upper range benchmark reflecting increased value with advanced resource delineation
Early-Stage Uranium Property Acquisition (Multiple Transactions)	North America	Grassroots exploration properties	~$200,000 to ~$2,000,000 per property	Cash, shares, staged commitments	Typical NSR royalties retained	Establishes lower to mid-range valuation spectrum for exploration-stage uranium assets

Transaction Multiple and Valuation Observations

Based on analysis of comparable transactions, the following valuation observations are relevant:

Exploration-stage uranium properties typically transact within a range of approximately C$200,000 to C$5,000,000 per individual property, depending on stage, geological potential, and historical exploration results.

Multi-property uranium portfolios comparable in scale and stage to the subject portfolio typically transact within an aggregate range of approximately C$4,000,000 to C$10,000,000.

Based on the foregoing analysis and reconciliation of the Cost Method and Market Method indications of value, together with consideration of comparable market transactions, recent arm's-length acquisition pricing, prevailing commodity market conditions, and the nature and stage of the Company's mineral exploration properties, it is our opinion that the fair value of the Company's mineral property portfolio is reasonably estimated at approximately C$7,500,000 as at the valuation date. This value is consistent with and supported by both the Cost Method indication of approximately C$7,460,000 and observable market evidence. Accordingly, the selected fair value reflects the price that would be expected to be received in an orderly transaction between knowledgeable, willing, and independent market participants acting at arm's length in accordance with CIMVal and International Valuation Standards.

Comparable Yukon Gold Exploration Property Acquisitions

Comparable	Property	Stage	Consideration	Structure	Implied Property Value Range
Seabridge Gold – 3 Aces Project Acquisition	Yukon	District-scale exploration, high-grade targets	Shares issued plus staged cash payments totaling up to US$2.25M	Shares, staged payments, royalty retained	C$2.5M – C$4.0M
JKS Resources – Yukon Gold Property Acquisition	Yukon	Exploration-stage mineral property portfolio	$2.0M cash plus 25M shares and royalty retained	Cash, shares, royalty retained	C$2.0M – C$5.0M
Strategic Metals – Hartless Joe & Forty Mile Gold Projects	Yukon	Exploration-stage gold belt project	$150,000 cash plus $1.85M exploration expenditures plus additional $5M exploration earn-in	Cash and staged exploration expenditures	C$2.0M – C$5.0M
Sanatana Resources – Gold Strike Project Acquisition	Yukon	Exploration-stage project adjacent to resource discovery	$250,000 cash plus 6M shares plus staged payments	Cash, shares, staged payments	C$1.5M – C$4.0M
Sitka Gold – Barney Ridge Property Acquisition	Yukon	Exploration-stage gold property within major gold belt	Cash and share payments totaling full ownership	Cash and shares	C$1.5M – C$3.5M

The Cost Method reflects the accumulated acquisition and exploration expenditures incurred by the Company to acquire and advance the mineral property portfolio, adjusted for estimated expenditures incurred subsequent to September 30, 2025. The Market Method reflects the estimated fair value of the mineral properties based on analysis of comparable arm's-length market transactions involving similar uranium and gold exploration properties, adjusted for stage, jurisdiction, and portfolio characteristics.

Reconciliation Schedule

Property Group	Cost Method (C$)	Market Method (C$)	Difference (C$)	Difference (%)
Uranium properties	4,278,000	4,000,000	(278,000)	(6.5%)
Yukon gold properties	3,182,000	3,500,000	318,000	10.0%
Total exploration properties	**7,460,000**	**7,500,000**	**40,000**	**0.5%**

The Market Method indication of C$7,500,000 is closely aligned with the Cost Method indication of approximately C$7,460,000, with an overall difference of approximately 0.5%. This close correlation between the Cost Method and Market Method provides strong support for the reasonableness of the selected Market Method conclusion.

The modest discount applied to the uranium properties under the Market Method reflects market participant considerations typical for exploration-stage uranium assets, including development risk, staged payment obligations, and vendor royalty interests. The modest premium applied to the Yukon gold properties reflects favorable gold market conditions, strong jurisdictional quality, and comparable market transaction evidence for Yukon gold exploration assets.

Based on the foregoing analysis, the Market Method indication of approximately C$7,500,000 for the Company's exploration property portfolio is considered reasonable and supportable under CIMVal and International Valuation Standards and represents the best estimate of value as at the Valuation Date.

Pre-Business Combination - Fair Market Value of UE	$ 18,692,382
Adjusted Book Value of UE	$ 7,806,000
Multiple of ABV	2.39 x

UE's mineral FV (C$7.5M) is only modestly above the cost base (C$7.046m), which is exactly what one would expect for an early exploration issuer where the primary FV support is cost + modest market/prospectivity uplift.

UE ABV is consistent with IVS/CIMVal

Why UE's multiple of ABV is higher than AERO
UE ABV C$7.8m; AERO ABV C$11.2m
Equity FMV indicators (Level 1): UE C$18.7m and AERO C$17.1m
UE multiple of ABV ≈ 18.7m / 78m3 = 2.39x
AERO multiple of ABV ≈ 17.1m / 11.2m = 1.52x

AERO's ABV is materially higher because it includes net financing proceeds (cash is a 1.0x component in ABV), while UE's ABV is more heavily driven by the mineral FV and less by cash. AERO's cash is C$4,852,267 vs UE cash C$306,645.

Hence, a lower market-to-ABV multiple for AERO (because ABV is "cash-heavy" and therefore closer to market cap), and higher market-to-ABV multiple for UE (more of the equity value is "optionality/platform premium" above ABV).

Pegasus Resources Inc.

Effective Date of the Valuation: February 27, 2026 **Schedule 3.1**

Allocation of Adjusted Net Assets - Adjusted Book Value

Canadian dollars

	Canadian dollars Net Book Value as at 02/11/2026 using 10/31/2025 data Compiled - CAUTION	Fair Value Adjustment	Tangible Asset Backing	Allocation of Adjusted Net Assets: Redundant Net Assets	Financing Liabilities	Operating Net Assets	Notes
ASSETS							
CURRENT ASSETS							
Cash and cash equivalents	$ 54,011	$ -	$ 54,011	$ -	$ 30,000	$ 24,011	
Taxes recoverable	$ 3,852	$ -	$ 3,852	$ -	$ -	$ 3,852	
Deposits	$ -	$ -	$ -	$ -	$ -	$ -	
Marketable securities	$ 390,000	$ 55,500	$ 445,500	$ -	$ -	$ 445,500	1
Prepaid expenses	$ 2,681	$ -	$ 2,681	$ -	$ -	$ 2,681	
	$ 450,544	$ 55,500	$ 506,044	$ -	$ 30,000	$ 476,044	
OTHER ASSETS							
Reclamation bonds	$ 23,672	$ -	$ 23,672	$ -	$ -	$ 23,672	
Plant and equipment	$ -	$ -	$ -	$ -	$ -	$ -	
Other	$ -	$ -	$ -	$ -	$ -	$ -	
Exploration and evaluation assets	$ 851,804	$ (851,804)	$ -	$ -	$ -	$ -	3
	$ 875,476	$ (851,804)	$ 23,672	$ -	$ -	$ 23,672	
TOTAL ASSETS	$ 1,326,020	$ (796,304)	$ 529,716	$ -	$ 30,000	$ 499,716	
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued liabilities	$ 467,282	$ -	$ 467,282	$ -	$ -	$ 467,282	
Loans payable	$ 60,000	$ -	$ 60,000	$ -	$ 60,000	$ -	2
	$ 527,282	$ -	$ 527,282	$ -	$ 60,000	$ 467,282	
LONG-TERM LIABILITIES							
Debt	$ -	$ -	$ -	$ -	$ -	$ -	
	$ -	$ -	$ -	$ -	$ -	$ -	
TOTAL LIABILITIES	$ 527,282	$ -	$ 527,282	$ -	$ 60,000	$ 467,282	
NET ASSETS	$ 798,738	$ (796,304)	$ 2,434	$ -	$ (30,000)	$ 32,434	
Cash burn 12/01/2025 to 02/27/2026 approx. C$60,000/month						$ (180,000)	
Net						$ (147,566)	
Net Working Capital (excludes cash and debt)						$ (15,249)	
Working Capital						$ 8,762	
Redundant assets / liabilities				$ -			
Net financing liabilities					$ (45,249)		
Net Assets after Cash Burn to Valuation Date						$ (147,566)	
Plus/Less: Net Financing Obligations						$ (45,249)	
Total						$ (193,000)	
FV of the Mineral Rights at PEGA's projects based on Level 2 Hierarchy of Value Inputs (IVS/CIMVal)						$ 2,500,000	4
Adjusted Book Value of PEGA (rounded)						$ 2,300,000	

Notes

1 Securities Held

6,000,000	Ashley Gold Corp. (CSE: ASHL)
$ 0.075	price/shares
$ 450,000	
$ 4,500	Less: costs/fees to realize value
$ 445,500	Net

2 Two loans. One C$10,000 loan and one C$50,000 loan, unsecured, non-ir caring and due on-demand

3 The recorded carrying value of exploration and evaluation assets has been removed and replaced with fair value determined under the Cost & Market Method in accordance with CIMVal and International Valuation Standards.

4 Valuation of Mineral Properties (Using Level 2 Inputs of FV Hierarchy) - Cost and Market Methods

Cost Method

PEGA reports Exploration & Evaluation Assets of C$851,804 as at November 30, 2026.

$ 315,320	Energy Sands Uranium Property
	sandstone-hosted uranium exploration property located in Utah, United States, where Pegasus Resources Inc. holds a 100% interest in a series of uranium claims prospective for sedimentary uranium mineralization.
$ 536,484	Jupiter Property
	an early-stage uranium exploration property located in Utah, United States, where Pegasus Resources Inc. holds a 100% interest in mineral claims prospective for uranium mineralization within a historically productive uranium district.
$ 851,804	Total Incurred Cc
$ 42,590	Adjustment to remove non-property related G&A et al expenditures not attributable to mineral property value
$ 810,000	Rounded

Selected Multiplier 1.00 x

$ 800,000

Prospective Enhancement Multiplier	
Criteria	
0.1 – 0.5	Exploration (past and present) has downgraded the tenement prospectivity, no mineralization identified
0.5 – 1.0	Exploration potential has been maintained (rather than enhanced) by past and present activity from regional mapping
1.0 – 1.3	Exploration has maintained, or slightly enhanced (but not downgraded) the prospectivity
1.3 – 1.5	Exploration has considerably increased the prospectivity (geological mapping, geochemical or geophysical)
1.5 – 2.0	Scout Drilling has identified interesting intersections of mineralization
2.0 – 2.5	Detailed Drilling has defined targets with potential economic interest.
2.5 – 3.0	A resource has been defined at Inferred Resource Status, no feasibility study has been completed
3.0 – 4.0	Indicated Resources have been identified that are likely to form the basis of a prefeasibility study
4.0 – 5.0	Indicated and Measured Resources

Applying the Cost Approach to Valuation of Exploration Stage Mineral Assets. The "range of reason" comprises PEMs between 0 and 5, while "usual" values would be between 0.5 and 3. Onley and Duncan (1994) and Lawrence & Dewar (1999).

Selection PEM Range is based on review of technical materials, discussions with UE's technical team, review of industry transactions, exploration work and historical findings and enhanced prospectivity

Asset / Property	Location	Ownership	Description
Energy Sands Uranium Project	Utah, USA	100%	Early-stage uranium exploration project consisting of mineral claims prospective for sandstone-hosted uranium mineralization in a historically productive uranium district.
Jupiter Uranium Project	Utah, USA	100%	Early-stage uranium exploration property comprising uranium claims located in a uranium-prospective geological setting within the western United States.

Market Method

#	Comparable Project	Jurisdiction	Interest / Stage	What Was Paid / Committed	Implied 100% Property Value	Why It Supports PEGA at ~C$2.4M
1	Pine Ridge	Wyoming	100%, advanced exploration target	US$22.5M cash	US$22.5M	Advanced and much larger than PEGA; shows PEGA is conservative by comparison.
2	Russell Lake minority buyout	Saskatchewan	42.3%, advanced Athabasca	C$10.0M cash	C$23.6M	Premier-basin, advanced-stage comp; well above PEGA, again implying PEGA is modestly valued.
3	South Falcon	Saskatchewan	Up to 100%, Athabasca earn-in	C$15.3M total	C$15.3M	Athabasca optionality commands a large premium over PEGA's earlier-stage U.S. assets.
4	South Dufferin & Bolt	Saskatchewan	Up to 100%, early-stage earn-in	C$9.8M total	C$9.8M	Early-stage but still significantly above PEGA, supporting PEGA as not aggressive.
5	Highway	Saskatchewan	80% earn-in	C$3.345M total	C$4.18M	Smaller/earlier-stage comp; close enough to show PEGA sits in a reasonable junior-project band.
6	914W	Saskatchewan	75% earn-in	C$1.555M total	C$2.07M	Very relevant low-end comp; PEGA at ~C$2.4M is only modestly above this level.
7	Aurora	Saskatchewan	80% earn-in	At least C$10.65M before later share revaluations	At least C$13.31M	Larger strategic Athabasca earn-in; shows how quickly values rise for stronger basin exposure.
8	Wray Mesa	Utah	90% earn-in, advanced U.S. uranium/vanadium	Cash + shares + US$2.75M exploration + later tranche	At least ~C$5M+ equivalent on disclosed minimum terms	U.S.-based comp; still above PEGA despite being an earn-in, which supports PEGA as conservative.
9	Great Divide Basin	Wyoming	90% earn-in	C$280k cash + C$500k shares + C$2.75M exploration + shares	At least C$3.9M+ equivalent on disclosed minimum terms	Another U.S. comp showing a value band above PEGA's implied level.
10	Uranium City option projects (per project basis)	Saskatchewan	80% earn-in	C$55k cash + C$3.2M exploration + 750k shares	At least ~C$4.1M+ per project	Per-project economics indicate PEGA's two-project package is not overstated at ~C$2.4M.

Pre-Business Combination - Fair Market Value of PEGA	$ 2,501,208
Adjusted Book Value of PEGA	$ 2,300,000
Multiple of ABV	1.09 x

The Cost Method indication of approximately C$0.8 million, representing the historical acquisition and exploration expenditures incurred by Pegasus Resources Inc. on its Energy Sands and Jupiter uranium projects, reflects the recorded capital invested in these early-stage exploration assets. For grassroots mineral properties where limited drilling or technical studies have been completed, historical exploration expenditures often provide a reasonable baseline indication of value under a cost approach. However, market participants typically attribute additional value beyond historical expenditures to reflect the optionality associated with prospective mineral claims, including the potential for future discovery, the strategic location of the claims within uranium-prospective districts, and the ability to advance exploration through additional capital investment.

The Market Method indication of approximately C$2.5 million implied in the transaction therefore represents a modest premium to the historical cost base, corresponding to roughly three times the recorded net asset value and approximately three times historical exploration expenditures. As demonstrated in the comparable uranium property transactions summarized above, early-stage uranium projects commonly transact within a broad range that frequently exceeds historical expenditures, particularly where properties provide exploration optionality within recognized uranium jurisdictions. Accordingly, the relationship between the C$0.8 million Cost Method indication and the approximately C$2.5 million Market Method indication is consistent with observed market behaviour, suggesting that the implied valuation attributed to Pegasus within the transaction is reasonable and not excessive relative to comparable market evidence.

While UE's market-based equity value reflects a higher premium relative to its adjusted book value due to the scale and optionality of its broader uranium exploration portfolio, the implied FMV to ABV multiple of approximately 1.09× for PEGA is considered reasonable in the context of its current stage of development. PEGA's principal assets consist of early-stage uranium exploration properties where exploration expenditures to date remain relatively modest and where no NI 43-101 mineral resource has yet been delineated. In such circumstances, market participants frequently anchor valuations closer to underlying invested capital until additional exploration results, drilling programs, or resource delineation activities provide evidence supporting higher optionality premiums. Accordingly, the relatively modest premium to adjusted book value observed in PEGA's market-derived valuation reflects the early-stage nature of the assets and the limited historical capital invested, rather than indicating any undervaluation.

This relationship between market value and adjusted book value is also consistent with the valuation framework under IFRS 13 and the International Valuation Standards (IVS), which prioritize observable market inputs when available. The market value of PEGA has been determined using its observable trading prices (20-day VWAP), which represent Level 1 inputs under the fair value hierarchy. The resulting valuation multiple relative to adjusted book value therefore reflects actual market participant pricing for the company's equity rather than a theoretical uplift applied to the asset base. Accordingly, the observed ~1.09x FMV / ABV relationship is considered reasonable and consistent with market evidence for early-stage mineral exploration issuers.

Adjusted Pro Forma Balance Sheet and Implied Market Value Analysis of the Resulting Issuer (Urano Energy Corp./Aero Energy Limited/Pegasus Resources Inc.)

Effective Date of the Valuation: February 27, 2026 **Schedule 4.1**

Adjusted Estimated Proforma Balance Sheet

This schedule summarizes the adjusted balance sheets of Aero Energy Limited, Urano Energy Corp., and Pegasus Resources Inc., together with the pro forma financial position and implied market value of the resulting issuer under the two seprate business combination structure. Readers should note that there is no assurance that the UE/AERO Business Combination will close and/or the AERO/PEGA Busienss Combination will close. Each has been analyzed separately for fairness.

Canadian dollars	Aero Energy Limited	Urano Energy Corp.	Pegasus Resources Inc.	Resulting Issuer
	Canadian dollars	Canadian dollars	Canadian dollars	Canadian dollars
Currency Conversion	Net Book Value	Net Book Value	Net Book Value	Net Book Value
AUS $ to CAD $ on June 30, 2025 is 1 AUS$ = 0.8958 CAD $	as at 02/27/2026	as at 02/27/2026	as at 02/27/2026	as at 02/27/2026
	using 10/31/2025 data	using 09/30/2025 data	using 11/30/2025 data	combined AERO / UE data
ASSETS	Compiled - CAUTION	Compiled - CAUTION	Compiled - CAUTION	Compiled - CAUTION
CURRENT ASSETS				
Cash and cash equivalents	$ 4,852,267	$ 306,645	$ 54,011	$ 5,212,923
Sales tax and other receivables	$ 131,596	$ 8,590	$ 3,852	$ 144,038
Deposits	$ -	$ -	$ -	$ -
Marketable securities	$ -	$ 190,946	$ 445,500	$ 636,446
Prepaid expenses	$ 45,588	$ 59,619	$ 2,681	$ 107,888
	$ 5,029,451	$ 565,800	$ 506,044	$ 6,101,295
OTHER ASSETS				
Reclamation bonds	$ -	$ 6,801	$ 23,672	$ 30,473
Plant and equipment	$ -	$ 2,155	$ -	$ 2,155
Advances to joint venture partners	$ 15,604	$ -	$ -	$ 15,604
Exploration and evaluation assets - Adjusted to FV	$ 7,000,000	$ 7,500,000	$ 2,500,000	$ 17,000,000
	$ 7,015,604	$ 7,508,956	$ 2,523,672	$ 17,048,232
TOTAL ASSETS	$ 12,045,055	$ 8,074,756	$ 3,029,716	$ 23,149,527
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	$ 348,470	$ 191,704	$ 467,282	$ 1,007,456
Provisions	$ -	$ -	$ -	$ -
Loans payable	$ -	$ -	$ 60,000	$ 60,000
	$ 348,470	$ 191,704	$ 527,282	$ 1,067,456
LONG-TERM LIABILITIES				
Debt	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -
TOTAL LIABILITIES	$ 348,470	$ 191,704	$ 527,282	$ 1,067,456
NET ASSETS at Book Value	$ 11,696,585	$ 7,883,052	$ 2,502,434	$ 22,082,071
Cash burn 11/01/2025 to 02/27/2026 approx. C$75,000/month (AERO)	$ (300,000)			$ (300,000)
Cash burn 10/01/2025 to 02/27/2026 approx. C$29,000/month (UE)		$ (145,000)	$ -	$ (145,000)
Cash burn 12/01/2025 to 02/27/2026 approx. C$60,000/month (PEGA)		$ -	$ (180,000)	$ (180,000)
Estimated Closing Costs for Proposed Transaction	$ (75,000)	$ (50,000)	$ (15,000)	$ (140,000)

Net Assets (after FV adjustments to Properties Mineral Rights) of the Resulting Issuer after all costs to complete Closing of Proposed Transaction	$ 21,317,071

After giving effect to the fair value adjustments to mineral properties and estimated transaction costs, the resulting issuer's adjusted net asset value is estimated to be approximately $21.3 million.

Implied Value using Market Method of Resulting Issuer (no funding)	38,641,820
Multiple to Adjusted Net Assets	1.81 x
Implied Value using Market Method of Resulting Issuer (with $11.5m funding)	50,141,820
Multiple to Adjusted Net Assets	2.35 x

Mineral exploration properties often possess value beyond their recorded accounting cost due to the optionality associated with potential mineral discoveries. Market participants frequently assign values to early-stage exploration projects that exceed historical expenditures where the properties are located within prospective geological settings.

Estimated cash burn adjustments reflect expected operating expenditures incurred between the date of the most recent financial statements and the anticipated transaction closing date. These adjustments are intended to approximate the expected cash position of each entity at closing.

The resulting issuer implied market value represents the combined equity value implied by the exchange ratios agreed in the proposed transaction.

The implied market valuation of the resulting issuer corresponds to approximately 1.8× adjusted net assets prior to the financing and approximately 2.3x adjusted net assets after giving effect to the $11.5 million financing. These valuation levels are broadly consistent with observed market behaviour for early-stage mineral exploration issuers, where equity values often exceed historical net asset values due to the optionality associated with prospective exploration properties. In such companies, book values primarily reflect historical acquisition and exploration expenditures, whereas market valuations incorporate the potential for mineral discovery, the strategic positioning of the exploration properties, and the ability of the issuer to raise capital and advance exploration programs.

Furthermore, the implied valuation multiples remain within a reasonable range when compared with comparable early-stage uranium exploration transactions and market valuations of similar junior exploration companies. Exploration companies with credible property portfolios and access to capital frequently trade at multiples of net asset value reflecting the market's assessment of exploration potential and future discovery value. In this context, the implied multiples of approximately 1.8× to 2.3× adjusted net assets for the resulting issuer are not excessive and appear consistent with market practice, particularly given that the transaction results in a better capitalized exploration company with a broader uranium property portfolio and approximately $11.5 million of additional exploration funding.

Exploration and evaluation assets in Schedule 1.1 to Schedules 3.1 have been adjusted from recorded book values to estimated fair values based on a combination of historical acquisition costs, market transaction evidence for comparable uranium exploration properties, and management's assessment of the exploration potential of the underlying mineral claims. For early-stage exploration properties where limited drilling has been completed, historical exploration expenditures frequently provide a reasonable baseline indication of value under a cost approach, while market evidence often supports a modest premium reflecting exploration optionality.

The resulting issuer balance sheet reflects the aggregation of the adjusted assets and liabilities of Aero Energy Limited, Urano Energy Corp., and Pegasus Resources Inc., prior to the effect of the concurrent financing.

The estimated fair values attributed to the mineral properties represent management's assessment of the underlying exploration potential of each property supported by comparable uranium property transactions. The values are intended to represent reasonable market participant estimates of exploration property value in an arm's-length transaction between informed parties.

Early-stage mineral exploration companies commonly trade at multiples of adjusted net asset value reflecting the optionality associated with mineral discovery and the market's expectation of future exploration success.

AERO/UE Business Combination of Aero Energy Limited ("AERO") and Urano Energy Corp. ("UE")

Fairness Opinion Calculation

Schedule 5.1

based on Fair Market Value of AERO / UE as at February 27, 2026

Canadian dollars

Relative Value Framework

The AERO/UE Business Combination represents relative value merger rather than a traditional acquisition. Accordingly, the fairness analysis focuses on whether each shareholder group receives ownership in the resulting issuer that is substantially proportionate to the value of the assets and equity contributed.

Fairness Test	Description
Value Contributed	Estimated fair market value of each company's assets and equity contributed
Ownership Received	Percentage ownership received in the resulting issuer
Fairness Indicator	Comparison of ownership received relative to value contributed

Summary of AERO/UE Business Combination - Fairness Outcome Viewed Separately

Scenario	UE Fairness	Key Driver
AERO/UE Business Combination	**Fair**	Proportionate ownership vs value contributed

Detailed Calculations

Value of UE - Pre-Business Combination

Effective Date of the Valuation: February 27, 2026	Low	High
Number of Shares Outstanding (as provided by UE)	202,079,804	202,079,804
Other	0	0
	202,079,804	202,079,804
Adjustments	0	0
Total Shares Issued and Outstanding	202,079,804	202,079,804
June 2025 C$900k Financing for 7.2% of UE (Level 2)	$ 12,531,491	$ 12,531,491
Adjusted Book Value (Schedule 1.1)	$ 7,806,000	$ 7,806,000
20-day VWAP average closing price (C$0.0925)	$ 18,692,382	$ 18,692,382
Closing Trading Price on 02/27/2026 is C$0.09	$ 18,187,182	$ 18,692,382
Selected Indicator for FMV at 02/27/2026		$ 18,692,382

Value of AERO's Common Shares - Pre-Business Combination

Effective Date of the Valuation: February 27, 2026	Low	High
Number of Shares Outstanding (as provided by AERO)	36,164,060	36,164,060
Other	0	0
	36,164,060	36,164,060
Adjustments	0	0
Total Shares Issued and Outstanding	36,164,060	36,164,060
Price of Recent Material Financing (Level 2) - Excluded Flow Thru Shares	$ 6,674,877	$ 6,674,877
Adjusted Book Value (Schedule 2.1)	$ 11,200,000	$ 11,200,000
20 Day VWAP closing price (C$0.4719)	$ 17,065,820	$ 17,065,820
Closing Trading Price on 02/27/2026 is C$0.4125	$ 14,917,675	$ 14,917,675
Selected Indicator for FMV at 02/27/2026		$ 17,065,820

The 20-day VWAP was considered more representative of fair market value than a single-day closing price, as it reflects the volume-weighted price at which informed market participants transacted over a sustained period immediately preceding the transaction. This approach reduces the impact of short-term volatility and thin trading conditions, which are common in junior resource issuers, and therefore better approximates an orderly transaction value consistent with IFRS 13.

Pre-Business Combination - Fair Market Value of UE	***$ 18,692,382***	***Pre-Business Combination - Fair Market Value of AERO***	***$ 17,065,820***
FV per Common Share	***$ 0.0925***	***FV per Common Share***	***$ 0.4719***

Calculated Exchange Ratio is approximately 5.0 Common Shares of UE will be exchanged for One (1) Common Shares of AERO

Urano Energy Corp. and Aero Energy Limited

Existing Outstanding UE Shares	UE FV/Share	FV of UE
202,079,804	$ 0.0925	$ 18,692,382

AERO Common Shares Exchanged for UE Common Shares	AERO FV / Share	Consideration Received by UE from AERO
40,415,961	$ 0.4719	$ 19,072,292

Exchange Ratio	***0.2000***	***x One UE Share for .2 AERO Shares***
Exchange Ratio	***5.000***	***x One AERO Share for 5.0 UE Shares***
(approximate)	Transaction premium / inducement	2.0%

	AERO Common Shares Received by UE Securityholders	AERO FV / Share	Consideration Received by UE from AERO
UE Shareholders receive # of AERO Shares	40,415,961		Total AERO Consideration
Other	*0*		
TOTAL Shares issued to UE	*40,415,961*	$ 0.472	$ 19,072,292
	Transaction premium / inducement		2.0%

Additional Possibilities - Still Fair to UE

AERO and UE Merger on a Pre Financing Basis

	Resulting Issuer	Number Shares	% Owned	Implied Value
UE and AERO Merger No PEGA Acquired & No Financing	AERO	36,164,060	47.2%	17,065,820
	UE	40,415,961	52.8%	19,072,292
	TOTAL	76,580,021	100.0%	36,138,112

AERO and UE Merger including Financing and No PEGA Acquisition

	Resulting Issuer	Number Shares	% Owned	Implied Value	% of Value
UE and AERO Merger No PEGA Acquired + C$11.5m Financing	AERO	36,164,060	34.6%	17,065,820	35.8%
	UE	40,415,961	38.7%	19,072,292	40.0%
	Financing(s)	27,944,915	26.7%	11,500,000	24.1%
	TOTAL	104,524,936	100.0%	47,638,112	100.0%
			100.0%		100.0%

Based on the analysis summarized above the AERO/UE Business Combination of Merging 100% of the Equity of UE and AERO, is fair to the shareholders of UE, from a financial point of view.

viewed on a standalone basis

AERO/PEGA Business Combination of Aero Energy Limited ("AERO") and Pegasus Resources Inc. ("PEGA")
Fairness Opinion Calculation
based on Fair Market Value of AERO / UE / PEGA as at February 27, 2026
Canadian dollars

Schedule 5.1
continued

Relative Value Framework

The AERO/PEGA Business Combination represents relative value merger rather than a traditional acquisition. Accordingly, the fairness analysis focuses on whether each shareholder group receives ownership in the resulting issuer that is substantially proportionate to the value of the assets and equity contributed.

Fairness Test	Description
Value Contributed	Estimated fair market value of each company's assets and equity contributed
Ownership Received	Percentage ownership received in the resulting issuer
Fairness Indicator	Comparison of ownership received relative to value contributed

If ownership received is broadly proportionate to value contributed, the AERO/UE Business Combination and the AERO/PEGA Business Combination are reasonably to each be fair from a financial perspective.

Summary of AERO/PEGA Business Combination - Fairness Outcome Viewed Separately

Scenario	PEGA Fairness	Key Driver
AERO/PEGA Business Combination	**Fair**	Proportionate ownership vs value contributed

Detailed Calculations

Pegasus Resources Inc.

Existing Outstanding PEGA Shares	PEGA FV/Share	FV of PEGA
39,891,668	$ 0.0627	$ 2,501,208

AERO Common Shares Exchanged for PEGA Common Shares	AERO FV / Share	Consideration Received by PEGA from AERO
5,305,591	$ 0.4719	$ 2,503,708

Exchange Ratio	***0.1330***	x	***One PEGA Share for .133 AERO Shares***
Exchange Ratio	***7.519***	x	***One AERO Share for 7.519 PEGA Shares***
(approximate)	Transaction premium / inducement		0.1%

Value of PEGA - Pre-Business Combination

Effective Date of the Valuation: February 27, 2026	Low	High
Number of Shares Outstanding (as provided by PEGA)	39,891,668	39,891,668
Other	0	0
	39,891,668	39,891,668
Adjustments	0	0
Total Shares Issued and Outstanding	39,891,668	39,891,668
Material Recent Financing (Level 2)	n/a	n/a
Adjusted Book Value (Schedule 3.1)	$ 2,300,000	$ 2,300,000
20-day VWAP average closing price (C$0.0627)	$ 2,501,208	$ 2,501,208
Closing Trading Price on 02/27/2026 is C$0.06	$ 2,393,500	$ 2,393,500
Selected Indicator for FMV at 02/27/2026		$ 2,501,208

Based on the analysis summarized above the AERO/PEGA Business Combination is fair to the shareholders of PEGA, from a financial point of view.
viewed on a standalone basis

This is based on:
A FV of UE's common shares are C$0.0925/share (02/27/2026) and AERO common shares are C$0.4719/share (02/26/2026) based on a 20-day VWAP
There are 202,079,804 UE shares are out and 36,164,060 AERO shares are out as at 02/27/2026
The exchange ratio is one (1) share of UE will be exchanged for .2 shares of AERO; meaning UE shareholders will receive 40,415,961 AERO shares

Although the arrangements involving Urano Energy Corp. and Pegasus Resources Inc. are subject to separate shareholder approvals, the Board of Directors of Urano Energy Corp. must consider the economic outcomes that may reasonably result from the business combination(s) structure(s). Accordingly, the fairness analysis considers multiple potential outcomes, including scenarios where Pegasus participates in the resulting issuer and scenarios where it does not. This approach ensures that the fairness conclusion remains robust regardless of the specific combination of transaction elements ultimately completed.

The two separate business combinations represent relative value mergers rather than traditional acquisitions. Accordingly, fairness is evaluated by comparing the proportionate ownership received by each shareholder group in the resulting issuer with the relative value of the assets and equity contributed by each party.

The analysis indicates that investors participating in the concurrent financing receive a slightly higher ownership percentage relative to the capital contributed. This reflects common market practice for junior mining financings, where pricing incentives and participation rights are frequently provided in order to secure capital in advance of exploration programs and business combination completion. The modest variance between capital contributed and ownership received is not unusual and does not represent a material transfer of value among the legacy shareholders.

The concurrent financing of approximately $11.5 million increases the resulting issuer's implied equity value and provides the capital required to advance exploration activities across the combined asset portfolio. Although the financing results in modest dilution to existing shareholders, the additional capital materially strengthens the financial position of the resulting issuer and improves the probability of successfully advancing exploration programs.

The financing includes warrants exercisable at a future date. These warrants have been excluded from the primary fairness calculations as they represent contingent instruments that may only create value if exercised in the future and do not affect ownership percentages at closing. Such warrant incentives are common in junior mining financings and are not considered to materially affect the fairness conclusion.

The business combination results in the creation of a larger, better capitalized uranium exploration company with a diversified portfolio of exploration properties. The combination of Aero Energy Limited, Urano Energy Corp., and Pegasus Resources Inc., together with the concurrent financing, provides the resulting issuer with the financial resources required to advance exploration programs while maintaining exposure to the exploration upside of the combined asset portfolio.

UE gets a transaction premium and inducement of 2%
The implied value received of approximately C$19.07m is above the FV assessment of UE of C$18.7m on a Pre-Business Combination basis
No additional financing, but AERO does already cash-on-hand of C$4.5m+

UE gets a transaction premium and inducement of 2%
The implied value received of approximately C$19.07m is above the FV assessment of UE of C$18.7m on a Pre-Business Combination basis
The additional C$11.5m financing provide material incremental exploration capital for UE to explore at an accelerated rate
The concurrent financing includes warrants exercisable at $0.60 for a two-year period. These warrants were not included in the primary fairness calculations because they represent contingent instruments that may only create value if exercised in the future and do not affect ownership percentages at closing. The fairness analysis focuses on the equity consideration issued at completion of the transaction. The presence of such warrants is typical for junior mining financings and does not materially alter the proportional value exchange among the legacy shareholders of UE and AERO.
The concurrent financing results in investors receiving a modestly higher ownership interest relative to the capital contributed. This reflects normal market practice for junior mining financings, where investors are typically provided a pricing incentive or additional participation rights (such as warrants) in order to secure capital in advance of exploration activities and transaction completion.
In this case, the financing terms are consistent with market practice and the modest variance between capital contributed and ownership received does not represent a material transfer of value among the legacy shareholders, but rather reflects the economic incentives required to successfully complete the financing.

UE gets a transaction premium and inducement of 2%
The implied value received of approximately C$19.07m is above the FV assessment of UE of C$18.7m on a Pre-Business Combination basis
The additional C$11.5m financing provide material extra exploration capital for UE to explore at an accelerated rate
The concurrent financing includes warrants exercisable at $0.60 for a two-year period. These warrants were not included in the primary fairness calculations because they represent contingent instruments that may only create value if exercised in the future and do not affect ownership percentages at closing. The fairness analysis focuses on the equity consideration issued at completion of the transaction. The presence of such warrants is typical for junior mining financings and does not materially alter the proportional value exchange among the legacy shareholders of UE and AERO.
The concurrent financing results in investors receiving a modestly higher ownership interest relative to the capital contributed. This reflects normal market practice for junior mining financings, where investors are typically provided a pricing incentive or additional participation rights (such as warrants) in order to secure capital in advance of exploration activities and transaction completion.
In this case, the financing terms are consistent with market practice and the modest variance between capital contributed and ownership received does not represent a material transfer of value among the legacy shareholders, but rather reflects the economic incentives required to successfully complete the financing.
Pegasus Resources Inc. contributes a modest but meaningful package of assets to the three-way merger with Aero Energy Limited and Urano Energy Corp..
Specifically, Pegasus brings two early-stage uranium exploration properties (the Energy Sands and Jupiter projects in the United States), approximately $850,000 of historical exploration expenditures reflected in the book value of those properties, and roughly $0.4 million in financial assets including marketable securities and cash.
While smaller in scale relative to the contributions of Aero and Urano, these assets expand the combined company's uranium exploration portfolio, add geographic diversification, and provide additional exploration optionality. The implied valuation of Pegasus in the transaction of approximately $2.4–$2.5 million reflects these assets and results in Pegasus shareholders receiving an ownership interest in the resulting issuer broadly proportionate to the value contributed.
Although Pegasus Resources Inc. represents a smaller component of the overall transaction, its two wholly-owned uranium exploration properties and financial assets contribute additional exploration optionality and geographic diversification to the resulting issuer.

Based on the proportional relationship between value contributed and ownership received under the transaction scenarios analyzed, and considering the financial position and capital resources of the resulting issuer following completion of the two separate Business Combinations, the proposed Business Combinations are fair, from a financial perspective, to the shareholders of Urano Energy Corp. and Pegasus Resources Inc.

SCHEDULE "I"

CHARTER OF THE AUDIT COMMITTEE PEGASUS

[see attached]

SCHEDULE "A"
AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee will assist the board of directors (the "Board") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well as the business of Pegasus Resources Inc. (the "Corporation"), and its operations and risks.

2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Corporation. The audit committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the audit committee must not be officers, employees or control persons of the Corporation.

2.2 Expertise of Committee Members

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

3. Meetings

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Corporation's Chief Financial Officer and external auditors in separate executive sessions.

4. Roles and Responsibilities

The audit committee shall fulfil the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

(a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation;
(b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
(c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
(d) review and recommend to the Board the compensation to be paid to the external auditors; and
(e) review and confirm the independence of the external auditors by reviewing the non-audit

services provided and the external auditors' assertion of their independence in accordance with professional standards.

4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Corporation. In carrying out this duty, the audit committee shall:

(a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Corporation; and

(b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

(a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and

(b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

(c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

(d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and

(e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

(f) review and approve the interim financial statements prior to their release to the public; and

(g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

(h) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Corporation or any subsidiary of the Corporation shall be subject to the prior approval of the audit committee.

Delegation of Authority

(a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

(b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:

(i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

(ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

(c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

(i) the pre-approval policies and procedures are detailed as to the particular service;

(ii) the audit committee is informed of each non-audit service; and

(iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

(a) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters;

(b) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;

(c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;

(d) review the policies and procedures in effect for considering officers' expenses and perquisites;

(e) perform other oversight functions as requested by the Board; and

(f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to:

(a) engage independent counsel and other advisors as it determines necessary to carry out its duties;

(b) set and pay the compensation for any advisors employed by the audit committee; and

(c) communicate directly with the internal and external auditors.

6. Guidance - Roles & Responsibilities

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfillment of their roles and responsibilities on the committee:

6.1 Internal Control

(a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;

(b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and

(c) gain an understanding of whether internal control recommendations made by external auditors

have been implemented by management.

6.2 Financial Reporting General

General

(a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and

(b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and

(c) understand industry best practices and the Corporation's adoption of them.

Annual Financial Statements

(d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Corporation reports or trades its shares;

(e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;

(f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;

(g) consider management's handling of proposed audit adjustments identified by the external auditors; and

(h) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

(i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;

(j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and

(k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:

  (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the Corporation's operations and financing practices;

  (ii) generally accepted accounting principles have been consistently applied;

  (iii) there are any actual or proposed changes in accounting or financial reporting practices;

  (iv) there are any significant or unusual events or transactions;

  (v) the Corporation's financial and operating controls are functioning effectively;

  (vi) the Corporation has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and

  (vii) the interim financial statements contain adequate and appropriate disclosures.

6.3 Compliance with Laws and Regulations

(a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";

(b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and

(c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

6.4 Other Responsibilities

(a) review, with the Corporation's counsel, any legal matters that could have a significant impact on the Corporation's financial statements

SCHEDULE "J"

PRO FORMA FINANCIAL STATEMENTS OF AERO AND PEGASUS

[see attached]

Aero Energy Limited

Pro-forma Consolidated Financial Statements
October 31, 2025 and April 30, 2025

Unaudited – Prepared by Management

Expressed in Canadian Dollars

Aero Energy Limited

Pro-forma Consolidated Statement of Financial Position

As of October 31, 2025

(Expressed in Canadian Dollars – Unaudited)

	Aero Energy Limited (Unaudited)	Pegasus Resources Inc. (Unaudited)	Notes	Pro-forma Adjustments	Pro-forma Consolidated (Unaudited)
ASSETS					
Current assets					
Cash	$ 102,267	$ 54,011		$ 771,395	$ 927,673
Advisory fees			*3(d)*	*(43,605)*	
Pegasus Transaction costs			*3(d)*	*(175,000)*	
Charity flow-through unit financing			*3(f)*	*990,000*	
Restricted cash	-	-		10,500,000	10,500,000
Subscription receipt financing			*3(e)*	*10,500,000*	
Marketable securities	-	390,000		-	390,000
Receivables	131,596	3,852		-	135,448
Prepaid expenses and deposits	45,588	2,681		-	48,269
	279,451	**450,544**		**11,271,395**	**12,001,390**
Reclamation bonds	-	23,672		-	23,672
Advanced to joint venture partners	15,604	-		-	15,604
Exploration and evaluation assets	6,606,850	851,804		1,797,303	9,255,957
Acquisition of exploration and evaluation assets			*3(a)*	*1,797,303*	
TOTAL ASSETS	**$ 6,901,905**	**$ 1,326,020**		**$ 13,068,698**	**$ 21,296,623**
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	$ 348,470	$ 467,282		$ -	$ 815,752
Deferred premium on flow-through shares	-	-		322,034	322,034
Charity flow-through financing			*3(f)*	*322,034*	
Loans payable	-	60,000		-	60,000
TOTAL LIABILITIES	**348,470**	**527,282**		**322,034**	**1,197,786**
SHAREHOLDERS EQUITY					
Share capital	$ 39,419,905	$ 30,865,680		$ (28,052,804)	$ 42,232,781
Elimination of Pegasus equity			*3(a)*	*(30,865,680)*	
Value of shares issued to Pegasus shareholders			*3(c)*	*2,122,236*	
Advisory fees			*3(d)*	*22,674*	
Charity flow-through unit financing			*3(f)*	*667,966*	
Subscription receipts	-	-		10,500,000	10,500,000
Subscription receipt financing			*3(e)*	*10,500,000*	
Reserve	1,996,235	1,467,337		(1,059,811)	2,403,761
Elimination of Pegasus equity			*3(a)*	*(1,467,337)*	
Value of Pegasus options and warrants assumed			*3(b)*	*407,526*	
Deficit	(34,862,705)	(31,534,279)		31,359,279	(35,037,705)
Elimination of Pegasus equity			*3(a)*	*31,534,279*	
Transaction costs			*3(d)*	*(175,000)*	
TOTAL SHAREHOLDERS EQUITY	**6,553,435**	**798,738**		**12,746,664**	**20,098,837**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**$ 6,901,905**	**$ 1,326,020**		**$ 13,068,698**	**$ 21,296,623**

The accompanying notes form an integral part of these unaudited pro-forma consolidated financial statements.

Aero Energy Limited

Pro-forma Consolidated Statement of Loss and Comprehensive Loss

For the six months ended October 31, 2025

(Expressed in Canadian Dollars – Unaudited)

	Aero Energy Limited (Unaudited)	Pegasus Resources Inc. (Unaudited)	Notes	Pro-forma Adjustments	Pro-forma Consolidated (Unaudited)
EXPENSES					
Management fees	$ 92,000	$ -		$ -	$ 92,000
General and administrative fees	96,290	26,247		-	122,537
Professional fees	151,419	56,321		175,000	382,740
Pegasus Transaction costs			*3(d)*	*175,000*	
Consulting fees	7,500	219,833		-	227,333
Shareholder information and investor relations	66,193	46,285		-	112,478
Transfer agent, regulatory and listing fees	50,395	16,407		-	66,802
Foreign exchange (gain) loss	(38,189)	646		-	(37,543)
Stock-based compensation	25,260	5,500		-	30,760
	450,868	**371,239**		**175,000**	**997,107**
OTHER ITEMS					
Impairment of exploration and evaluation assets	3,794,495	-		-	3,794,495
Gain on sale of exploration and evaluation assets	-	(2,353)		-	(2,353)
Change in value of marketable securities	(3,272)	(99,790)		-	(103,062)
Flow-through share premium reversal	(83,677)	-		-	(83,677)
Other income	-	(50,000)		-	(50,000)
NET AND COMPREHENSIVE LOSS	**$ 4,158,414**	**$ 219,096**		**$ 175,000**	**$ 4,552,510**

The accompanying notes form an integral part of these unaudited pro-forma consolidated financial statements.

Aero Energy Limited

Pro-forma Consolidated Statement of Loss and Comprehensive Loss

For the twelve months ended April 30, 2025

(Expressed in Canadian Dollars – Unaudited)

	Aero Energy Limited (Unaudited)	Pegasus Resources Inc. (Unaudited)	Notes	Pro-forma Adjustments	Pro-forma Consolidated (Unaudited)
EXPENSES					
Management fees	$ 249,500	$ -		$ -	$ 249,500
General and administrative fees	167,045	53,314		-	220,359
Professional fees	186,868	110,566		175,000	472,434
Pegasus Transaction costs			*3(d)*	*175,000*	
Consulting fees	438,176	662,517		-	1,100,693
Shareholder information and investor relations	1,119,038	306,340		-	1,425,378
Transfer agent, regulatory and listing fees	31,963	36,318		-	68,281
Foreign exchange (gain) loss	(288)	2,186		-	1,898
Stock-based compensation	625,250	87,900		-	713,350
	2,817,752	**1,259,141**		**175,000**	**4,251,893**
OTHER ITEMS					
Impairment of exploration and evaluation assets	7,015,406	652,024		-	7,667,430
Interest income	(41,127)	(166)		-	(41,293)
Change in value of marketable securities	(205,718)	124,215		-	(81,503)
Flow-through share premium reversal	(849,776)	-		-	(849,776)
Flow-through share penalty	-	169,854		-	169,854
Write-off of accounts payable	-	(154,967)		-	(154,967)
Other income	-	318		-	318
NET AND COMPREHENSIVE LOSS	**$ 8,736,537**	**$ 2,050,419**		**$ 175,000**	**$ 10,961,956**

The accompanying notes form an integral part of these unaudited pro-forma consolidated financial statements.

1. Plan of Arrangement and Financings

Plan of Arrangement

On February 27, 2026, Aero Energy Limited ("Aero" or the "Company") entered into a Definitive Arrangement Agreement (the "Pegasus Agreement") with Pegasus Resources Inc. ("Pegasus"). In accordance with the terms of the Pegasus Agreement, Aero will acquire all of the issued and outstanding common shares of Pegasus by way of a court-approved plan of arrangement (the "Pegasus Transaction").

Under the terms of the Pegasus Agreement, on closing of the Pegasus Transaction, each Pegasus shareholder will receive 0.133 common shares of Aero ("Aero Shares") for each Pegasus share held (the "Pegasus Exchange Ratio"). Aero will issue a total of approximately 5,316,631 Aero Shares (assuming no exercise of existing Pegasus warrants or options) to the former Pegasus shareholders.

Additionally, each option of Pegasus outstanding and unexercised immediately prior to the effective time of closing the Pegasus Transaction (each, a "Pegasus Option") will be exchanged for an option to purchase common shares of Aero (each, a "Replacement Pegasus Option"). Each Replacement Pegasus Option will be exercisable to acquire that number of Aero Shares equal to the number of Pegasus shares that could have been acquired upon exercise of the applicable Pegasus Option immediately prior to the effective time, multiplied by the Pegasus Exchange Ratio, at an exercise price per Aero Share equal to the exercise price per Pegasus share under such Pegasus Option divided by the Pegasus Exchange Ratio. All other terms and conditions of the Pegasus Options, including the expiry date, vesting provisions and other applicable terms, will remain unchanged and will continue to govern the Replacement Pegasus Options.

In accordance with their terms and the Pegasus Arrangement, each share purchase warrant of Pegasus (a "Pegasus Warrant") outstanding immediately prior to the effective time will thereafter entitle the holder to acquire, upon exercise, such number of Aero Shares as the holder would have received if the holder had exercised the Pegasus Warrant immediately prior to the effective time of the Arrangement, multiplied by the Pegasus Exchange Ratio, at an exercise price adjusted in accordance with such exchange ratio. All other terms and conditions of the Pegasus Warrants, including expiry dates and exercise provisions, will remain unchanged.

Aero Subscription Receipt Financing

In connection with the Company's proposed acquisition of Urano Energy Corp. by way of court-approved plan of arrangement (the "Urano Transaction"), Aero will conduct a non-brokered private placement offering (the "Aero Subscription Receipt Financing") consisting of the issuance of up to 26,250,000 subscription receipts of Aero ("Aero Subscription Receipts") at a price of $0.40 per Aero Subscription Receipt for gross proceeds of up to $10,500,000.

Upon the satisfaction of the Escrow Release Conditions (as defined herein) and without payment of any additional consideration and without further action on the part of the holder thereof, each Aero Subscription Receipt will convert into one unit of Aero (a "Aero Unit"), with each Aero Unit comprised of one Aero Share and one Aero Share purchase warrant (a "Aero Warrant"). Each Aero Warrant is exercisable to acquire one Aero Share at a price of $0.60 for a period of two years following the closing date.

The gross proceeds of the Aero Subscription Receipt Financing (the "Escrowed Funds") will be deposited and held by an escrow agent (the "Escrow Agent") pursuant to the terms of a subscription receipt agreement to be entered into on the closing date among Aero and the Escrow Agent. The Escrowed Funds will be released from escrow to Aero upon satisfaction of certain escrow release conditions (collectively, the "Escrow Release Conditions") no later than the 90th day following the closing date (the "Escrow Release Deadline").

If (i) the satisfaction of the Escrow Release Conditions does not occur on or prior to the Escrow Release Deadline, or (ii) Urano has advised Aero and/or the public that it does not intend to proceed with the Urano Transaction, then all of the issued and outstanding Aero Subscription Receipts shall be cancelled and the Escrowed Funds shall be used to pay holders of Aero Subscription Receipts an amount equal to the issue price of the Aero Subscription Receipts held by them (plus an amount equal to a *pro rata* share of any interest or other income earned thereon).

If the Escrowed Funds are not sufficient to satisfy the aggregate purchase price paid for the then issued and outstanding Aero Subscription Receipts (plus an amount equal to a *pro rata* share of the interest earned thereon), it shall be Aero's sole responsibility and liability to contribute such amounts as are necessary to satisfy any such shortfall.

Aero Unit Financing

In connection with the Urano Transaction, Aero will conduct a non-brokered private placement offering (the "Aero CFT Unit Financing") consisting of the issuance of up to 1,694,915 charity flow-through units of Aero ("Aero CFT Units") at a price of $0.59 per Aero CFT Unit for gross proceeds of up to approximately $1,000,000. Each Aero CFT Unit will be comprised of one flow-through Aero Share and one Aero Share purchase warrant (an "Aero Warrant"). Each Aero Warrant is exercisable to acquire one Aero Share at a price of $0.60 for a period of two years following the closing date.

2. Basis of Presentation

The accompanying unaudited pro-forma consolidated financial statements of the Company have been prepared by management from information derived from the financial statements of Aero and the financial statements of Pegasus to show the effect of the Pegasus Transaction, as described in Note 1.

The unaudited pro-forma consolidated financial statements as at and for the six months ended October 31, 2025 of the Company is compiled from and includes:

a) Aero's financial statements as at and for the six months ended October 31, 2025;
b) Pegasus' financial statements as at and for the six months ended November 30, 2025; and
c) The additional information set out in Note 3.

The unaudited pro-forma consolidated statement of loss and comprehensive loss for the twelve months ended April 30, 2025 of the Company is compiled from and includes:

a) Aero's statement of loss and comprehensive loss for the twelve months ended April 30, 2025;
b) Pegasus' statement of loss and comprehensive loss for the twelve months ended May 31, 2025; and
c) The additional information set out in Note 3.

The unaudited pro-forma consolidated financial statements should be read in conjunction with the financial statements and notes thereto of Aero and Pegasus, described above. The unaudited pro-forma consolidated financial statements were prepared for the purpose of the pro forma financial statements and do not conform with the actual consolidated financial statements included elsewhere in the information circular.

(Expressed in Canadian Dollars)

3. Pro Forma Assumptions and Adjustments

As a result of the Pegasus Transaction, Aero will acquire control of Pegasus. The Company accounted for the acquisition of Pegasus as an asset acquisition as it did not meet the definition of a business under IFRS 3, "Business Combinations". As a result, the Pegasus Transaction has been measured at the fair value of the equity consideration paid as determined based on IFRS 2, "Share Based Payments". The following table summarizes the total consideration, the fair value of the acquired identifiable assets and liabilities assumed as of the date of the acquisition:

		Amount
Fair value of Aero shares	$	2,122,236
(5,305,591 common shares at $0.40 per share)		
Fair value of replacement options		61,764
Fair value of warrants exercisable for Aero Shares		345,762
Advisory fees		66,279
Total consideration		2,596,041
Net assets acquired		
Cash		54,011
Marketable securities		390,000
Receivables		3,852
Prepaid expenses		2,681
Reclamation bonds		23,672
Exploration and evaluation assets		851,804
Exploration and evaluation assets – Fair value lift		1,797,303
Accounts payable		(467,282)
Loan payable		(60,000)
Net assets acquired	**$**	**2,596,041**

The following pro-forma adjustments ("Adjustments") correspond with the note references on the pro-forma financial statements and as further set out in these notes thereto.

a) Upon closing of the Pegasus Transaction, the share capital, reserve and deficit of Pegasus are eliminated. The difference in value of the shares issued by the Company and the fair value of Pegasus' net assets is capitalized to exploration and evaluation assets.

b) Aero assumes Pegasus Options and Pegasus Warrants at the closing date with a fair value of $61,764 and $345,762 respectively. The Pegasus Options were valued using the Black-Scholes Option Pricing Model using the following weighted average inputs: exercise price of $1.09, expected life of 1.32 years, volatility of 174%, and risk-free rate of 2.47%. The Pegasus Warrants were valued using the Black-Scholes Option Pricing Model using the following weighted average inputs: exercise price of $1.16, expected life of 1.09 years, volatility of 174%, and risk-free rate of 2.47%.

c) Aero shall acquire all of the issued and outstanding shares of Pegasus, which have been valued at $0.40 per share.

d) In connection with the Urano Transaction, the Company incurred an advisory fee of $66,279 (the "Advisory Fee"). The Company may, at its discretion, pay up to 75% of the Advisory Fee in units (the "Advisory Units"). The Advisory Units are comprised of one Aero Share and one Aero Warrant, with each Aero Warrant exercisable at $0.60 for a period of 2 years from issuance.

The number of Advisory Units to be issued is based off the price per unit of $0.40, being the price of the Aero Subscription Receipts in the Aero Subscription Receipt Financing. Accordingly, the maximum Advisory Fee payable in units is $49,709 or 124,273 Advisory Units. The Company expects to settle the Advisory Fee by way of a cash payment of $43,605 and the issuance of 56,686 Advisory Units with a fair value of $22,674.

e) The Company estimates the cost of completing the Pegasus Transaction to be $175,000.

f) In March 2026, the Company expects to complete the Subscription Receipt Financing for gross proceeds of $10,500,000, consisting of 26,249,999 Aero Subscription Receipts at a price of $0.40 per Aero Subscription Receipt. The subscription receipts convert to Aero Units upon completion of the Urano Transaction and have been classified as restricted cash and subscription receipts for the purposes of these pro-forma consolidated financial statements.

g) In March 2026, the Company completed the Aero CFT Unit Financing for gross proceeds of $1,000,000, consisting of 1,694,916 Aero CFT Units at a price of $0.59 per Aero CFT Unit. The Company allocated $322,034 to the deferred premium on flow-through shares liability calculated as the difference between the price of the Aero CFT Unit and the fair value of an Aero Share. The Company also incurred other share issuance costs of approximately $10,000 in connection with the Aero CFT Unit Financing.

(Expressed in Canadian Dollars)

4. Pro Forma Equity

Shareholder's equity after giving effect to the assumptions and pro forma adjustments discussed in Note 3 is as follows:

	Note	Number of equivalent Aero common shares	Share Capital	Subscriptions Received	Reserves	Deficit	Total Equity (Deficit)
Beginning balance of Pegasus, November 30, 2025		5,305,591	$ 30,865,680	$ -	$ 1,467,337	$ (33,328,735)	$ 798,738
Balance of Pegasus, November 30, 2025		**5,305,591**	**30,865,680**	**-**	**1,467,337**	**(33,328,735)**	**798,738**
Beginning balance of Aero, October 31, 2025		17,984,959	39,419,905	-	1,996,235	(34,862,705)	6,553,435
Adjustments:							
Subscription Receipt financing	3(e)	26,250,000	-	10,500,000	-	-	10,020,340
CFT Unit Financing	3(f)	1,694,915	667,966	-	-	-	667,966
Balance of Aero, October 31, 2025		**45,929,874**	**40,087,871**	**10,500,000**	**1,996,235**	**(34,862,705)**	**17,241,741**
Adjustments:							
Transaction costs payable in cash	3(d)	-	-	-	-	(175,000)	(175,000)
Elimination of Pegasus share equity	3(a)	(5,305,591)	(30,865,680)	-	(1,467,337)	31,534,279	(798,738)
Value of Pegasus options and warrants assumed	3(b)	-	-	-	407,526	-	407,526
Value of Pegasus shares	3(c)	5,305,591	2,122,236	-	-	-	2,122,236
Value of advisory units issued	3(d)	56,686	22,674	-	-	-	22,674
Total Adjustments		**56,686**	**(28,720,770)**	-	**(1,059,811)**	**31,359,279**	**1,578,698**
Pro forma, Consolidated Equity, October 31, 2025		**51,292,151**	**$ 42,232,781**	**$ 10,500,000**	**$ 2,403,761**	**$ (35,037,705)**	**$ 20,098,837**