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AE Fuels Corporation Announces Closing of Qualifying Transaction

News Release – Vancouver, British Columbia – December 19, 2025 – **AE Fuels Corporation** (formerly, Cavalry Capital Corp.) (TSXV: AEF) (“**AE Fuels**” or the “**Company**”) is pleased to announce that it has completed its previously announced transaction (the “**Transaction**”) with Advanced Energy Fuels, Inc. (“**Advanced Energy**”). In accordance with the terms of the Transaction, the Company has acquired all of the issued and outstanding common shares of Advanced Energy in exchange for 20,579,938 common shares of the Company issued to the shareholders of Advanced Energy on a one-for-one basis, in accordance with the terms and conditions of the share exchange agreement dated July 17, 2025 (the “**Share Exchange Agreement**”) between the Company, Advanced Energy and the shareholders of Advanced Energy. As a result of the Transaction, Advanced Energy became a wholly-owned subsidiary of the Company. The Transaction constituted the “Qualifying Transaction” of the Company, as such a term is defined in Policy 2.4 – *Capital Pool Companies* of the TSX Venture Exchange (the “**TSXV**”).

The Company is expected to recommence trading of its common shares on the TSXV as a Tier 2 mining issuer on or about December 29, 2025 under the new trading symbol “AEF”. The Transaction remains subject to the final acceptance of the TSXV.

Gary Lewis, Chief Executive Officer and Director of the Company said: “Completion of the Qualifying Transaction represents an important milestone for our Company, and I would like to thank our advisers and the AEF and Cavalry teams for their hard work and diligence over the past six months. We start life as a public company with a strong balance sheet and an asset base perfectly positioned to maximize opportunities in US critical minerals supply chains. We remain focused on creating long-term value for our shareholders through strategic collaborations, clear technical milestones and advancing development of our projects, and I look forward to keeping investors updated as we move into 2026.”

The Company has filed a filing statement dated December 12, 2025 (the “**Filing Statement**”) on SEDAR+ under its profile relating to the Transaction. Investors are encouraged to review the Filing Statement, which provides detailed information about the Transaction and the Company.

Name Change and Consolidation

Immediately prior to the completion of the Transaction, the Company changed its name to “AE Fuels Corporation.” (the “**Name Change**”) and consolidated its common shares (the “**Consolidation**”) on the basis of 1.66 pre-Consolidation common shares for each post-Consolidation common share (a “**AE Fuels Share**”).

Letters of transmittal providing instructions on exchanging pre-Consolidation share certificates for post-Consolidation share certificates or Direct Registration System (DRS) Statements to be issued in the name of “AE Fuels Corporation” will be mailed by Computershare Investor Services Inc. to the Company’s registered shareholders holding physical share certificates. Registered shareholders are encouraged to send their share certificates, together with their letter of transmittal, to Computershare Investor Services Inc. in accordance with the instructions in the letter of transmittal. Beneficial shareholders holding common shares in the capital of the Company through an intermediary should be aware that the intermediary may have different procedures for processing the Consolidation and are encouraged to contact their respective intermediaries in this regard. No fractional common shares will be issued as a result of the Consolidation. Where the Consolidation would otherwise result in an entitlement to a fractional common share, the number of post-Consolidation shares issued will be

rounded up or down to the nearest whole number of common shares. The Name Change and Consolidation are subject to the final approval of the TSXV.

As a result of the Transaction, the Company has an aggregate of 41,433,479 AE Fuels Shares issued and outstanding. The CUSIP number for the AE Fuels Shares is 001024108 and the ISIN is CA0010241085.

Exercise of Option for the South Woodie Woodie Manganese Project

Immediately prior to the completion of the Transaction, Advanced Energy exercised the option (the “**SWWM Acquisition**”) to indirectly acquire a 100% interest in the South Woodie Woodie Manganese Project located in the Pilbara Region, and the Company issued 6,000,000 AE Fuels Shares to Trek Metals Limited (ASX:TKM) (“**Trek**”), which when added to the 2,000,000 AE Fuels Shares issued to Trek pursuant to the Share Exchange Agreement, total 8,000,000 AE Fuels Shares. In connection with the SWWM Acquisition, the Company entered into an amended and restated investor rights agreement with Trek pursuant to which, among other things, the Company granted Trek a right to nominate one member to the board of directors of the Company and a pro-rata participation right in future financings of the Company for as long as Trek maintains ownership or control over at least 5% of the issued and outstanding AE Fuels Shares, as well as certain information rights.

The 2,000,000 AE Fuels Shares issued to Trek pursuant to the Share Exchange Agreement are subject to a four-month hold period expiring on April 20, 2026 in accordance with applicable securities laws.

See the Filing Statement for further information on the SWWM Acquisition.

Concurrent Financing

On November 20, 2025, the Company completed a non-brokered private placement of 10,960,468 subscription receipts (each, a “**Subscription Receipt**”), at a price of \$0.25 per subscription receipt, raising aggregate gross proceeds of \$2,740,117 (the “**Concurrent Financing**”). On the closing of the Transaction, each Subscription Receipt was converted into one unit, each comprised of one AE Fuels Share and one-half of one common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant is exercisable by the holder thereof to purchase one AE Fuels Share at an exercise price of \$0.35 per share until December 19, 2027. The gross proceeds of the Concurrent Financing less certain deductions were released from escrow to the Company concurrently with the completion of the Transaction. The Company intends to use the proceeds of the Concurrent Financing as described in the Filing Statement. The securities issued to purchasers in connection with the Concurrent Financing are subject to a four-month hold period expiring on March 21, 2026 in accordance with applicable securities laws and the policies of the TSXV. The Concurrent Financing is subject to the final approval of the TSXV.

In connection with the Private Placement, the Company paid aggregate cash finder’s fees of \$102,275 and granted an aggregate of 409,100 non-transferable finder warrants of the Company (each, a “**Finder Warrant**”) to arm’s length finders of the Company. Each Finder Warrant entitles the holder thereof to purchase one AE Fuels Share at an exercise price of \$0.35 per share until December 19, 2027. The Finder Warrants and the AE Fuels Shares issuable upon exercise thereof are subject to a four-month hold period from the date of issuance of the Finder Warrants in accordance with applicable securities laws.

Board of Directors and Management

Following completion of the Transaction, the board of directors of the Company has been reconstituted to consist of the following five directors: Gary Lewis, Melissa Sanderson, Mitchell Smith, Derek Marshall and Brandon Bonifacio. The officers of the Company are Gary Lewis as Chief Executive Officer and President, Melissa Sanderson as Chair, and Jack Cartmel as Chief Financial Officer and Corporate Secretary.

Early Warning Disclosure for Trek Metals Limited

Trek, a company listed on the Australian Stock Exchange, acquired 8,000,000 AE Fuels Shares pursuant to the Transaction and the SWWM Acquisition, which represent more than 10% of the issued and outstanding AE Fuels Shares. Accordingly, Trek is providing the following disclosure pursuant to National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* (“**NI 62-103**”).

Immediately prior to the completion of the SWWM Acquisition and the Transaction, Trek did not own, or have control or direction over, any securities of the Company. Immediately after the closing of the SWWM Acquisition and the Transaction, the Trek beneficially owns, and has control and direction over, 8,000,000 Shares, representing approximately 19.31% of the outstanding AE Fuels Shares on an undiluted basis.

The AE Fuels Shares were acquired by Trek for investment purposes only, and in the future, Trek may acquire additional securities of the Company, dispose of some or all of the existing securities it holds or will hold, subject to the certain escrow release conditions, or may continue to hold its current position, depending on market conditions, reformulation of plans and other relevant factors. The AE Fuels Shares issued to the Trek are subject to the Form 5D – Escrow Agreement dated December 19, 2025 (the “**Escrow Agreement**”) that was entered into on closing of the Transaction and is filed on SEDAR+ under the profile of the Company.

An early warning report will be filed by Trek pursuant to NI 62-103 on SEDAR+ under the profile of the Company. To obtain a copy of the early warning report, please contact Gary Lewis, CEO and President of the Company at c/o Suite 1400 - 1050 West Pender Street, Vancouver, BC V6E 3S7, or by telephone at +61 422 880 055.

Early Warning Disclosure for Gary Lewis

Gary Lewis acquired 5,833,334 AE Fuels Shares and 200,000 Warrants pursuant to the Transaction and the Concurrent Financing, representing more than 10% of the issued and outstanding AE Fuels Shares. Accordingly, Mr. Lewis is providing the following disclosure pursuant to NI 62-103.

Immediately prior to the completion of the Transaction, Mr. Lewis beneficially owned, and has control and direction over, 400,000 Subscription Receipts held by Lewis Superannuation Fund, representing approximately 3.99% of the outstanding AE Fuels Shares on a partially-diluted basis (assuming the conversion of the Subscription Receipts, and including the AE Fuels Shares issuable on exercise of the Warrants issued to Lewis Superannuation Fund). Immediately after the closing of the Transaction, Mr. Lewis beneficially owns, and has control and direction over, 5,833,334 Shares and 200,000 Warrants, representing approximately 14.08% of the outstanding AE Fuels Shares on an undiluted basis and approximately 14.49% of the outstanding AE Fuels Shares on a partially-diluted basis (including the AE Fuels Shares issuable on exercise of the Warrants held by Lewis Superannuation Fund). Of these securities, 650,000 AE Fuels Shares are held directly by Gary Lewis, 1,333,334 AE Fuels Shares and 200,000 Warrants are held by Lewis Superannuation Fund, and 3,850,000 AE Fuels Shares are held by ACT2 Pty Limited.

The AE Fuels Shares and Warrants were acquired by Mr. Lewis for investment purposes only, and in the future, Mr. Lewis may acquire additional securities of the Company, dispose of some or all of the existing securities he holds or will hold, subject to the certain escrow release conditions, or may continue to hold his current position, depending on market conditions, reformulation of plans and other relevant factors. A total of 5,433,334 AE Fuels Shares owned and controlled by Mr. Lewis are subject to the Escrow Agreement.

An early warning report will be filed by Mr. Lewis pursuant to NI 62-103 on SEDAR+ under the profile of the Company. To obtain a copy of the early warning report, please contact Mr. Lewis at c/o Suite 1400 - 1050 West Pender Street, Vancouver, BC V6E 3S7, or by telephone at +61 422 880 055.

On behalf of the board of directors of the Company:

Gary Lewis,
President and CEO

About AE Fuels Corporation

AE Fuels Corporation (AEF) is a battery materials company focused on the extraction and purification of minerals critical for the batteries that power electrification and energy storage. AEF has a multi-asset portfolio strategically located in tier one jurisdictions with manganese projects in the Pilbara Region of Western Australia and fluorospar prospects in New Mexico in the United States. Manganese and fluorospar are essential raw materials to multiple high-growth industries and are designated critical minerals in Australia, US and EU due to their importance to energy security and clean technology supply chains. AEF is advancing development activities aimed at delivering reliable, allied-sourced supply of these materials to reduce US dependence on high-risk or non-aligned jurisdictions.

For further information please contact:

Gary Lewis, President and CEO
Phone: (+61 422 880 055)

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities law and may not be offered or sold in the “United States”, as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available.

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

Forward-Looking Statements

This news release contains certain forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects” or “does not expect”, “is expected”, “anticipates” or “does not anticipate” “plans”, “estimates” or “intends” or stating that certain actions, events or results “ may”, “could”, “would”, “might” or “will” be taken, occur or be achieved) are not statements of historical fact and may be “forward-looking statements”. Forward-looking statements contained in this news release include, but are not limited to, the final acceptance of the TSXV to the Transaction, the Private Placement, the Consolidation and the Name Change, and the anticipated date for recommencement of trading.

Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to materially differ from those reflected in the forward-looking statements. These risks and uncertainties include, but are not limited to risks related to regulatory approval. There can be no assurance that forward-looking statement will prove to be accurate, and actual results and future events could differ materially from those anticipate in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.