



CSE FORM 2A LISTING STATEMENT

QNB Metals Inc.

This Listing Statement is intended to provide full, true and plain disclosure about the Issuer. It is not, and is not to be construed as, a prospectus. It has not been reviewed by a securities regulatory authority and no securities are being sold or qualified for distribution by the filing of this Listing Statement.

Dated: October 14, 2025

There are certain risk factors relating to the business carried on by QNB Metals Inc. and ReSolve Energy Inc., which are to become the Resulting Issuer's (as defined herein) businesses, and which prospective investors should carefully consider before deciding whether to purchase Resulting Issuer Shares (as defined herein). The Resulting Issuer will face a number of challenges in the development of its business. Due to the nature of the Resulting Issuer, the Resulting Issuer's business and present stage of the business, the Resulting Issuer may be subject to significant risks. Readers should carefully consider all such risks, including those set out below. See "*Risk Factors*" and "*Forward-Looking Information*".

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Section 1: Glossary of Terms

In this Listing Statement (as defined herein), unless there is something in the subject matter inconsistent therewith, the following terms shall have the respective meanings set out below, words importing the singular number shall include the plural and vice versa.

“**Acquisition**” means the acquisition of all issued and outstanding ReSolve Shares by QNB pursuant to the terms and conditions of the Definitive Agreement.

“**Audit Committee**” means the audit committee of the Board of Directors.

“**Audit Committee Charter**” means the Audit Committee charter, a copy of which was attached as Appendix “A” to the Information Circular.

“**Award**” means a stock option granted to a participant pursuant to the Plan.

“**Board**” or “**Board of Directors**” means the board of directors of QNB.

“**CBCA**” means the *Canada Business Corporations Act*, R.S.C., 1985, c. C-44, as amended, including the regulations promulgated thereunder.

“**Cessation Date**” has the meaning ascribed to it under Section 11 of this Listing Statement.

“**Closing**” means the closing of the Acquisition.

“**Closing Date**” means the date of the Closing.

“**CME**” means Canadian Metals Inc.

“**Code**” has the meaning ascribed to it under Section 16 of this Listing Statement.

“**Concurrent Financing**” means the non-brokered private placement of Subscription Receipts to raise minimum gross proceeds of \$2,500,000 and a maximum of \$3,000,000, by way of issuance of Subscription Receipts at a price of \$0.25 per Subscription Receipt.

“**Consolidation**” means the consolidation of the QNB Shares on the basis of one post-consolidation QNB Share for every five pre-consolidation QNB Shares.

“**CSE**” or “**Exchange**” means the Canadian Securities Exchange.

“**CSE Escrow Agreement**” means the form attached as an Appendix to NP 46-201 (Form 46-201F1), to be executed by the Escrow Holders with the Resulting Issuer and the Escrow Agent.

“**CSE Escrow Securities**” means the securities of the Resulting Issuer which are subject to the CSE Escrow Agreement.

“**CSE Listing**” or “**Listing**” means the listing of the Resulting Issuer Shares on the CSE.

“**Debt**” has the meaning ascribed to it under Section 4 of this Listing Statement.

“**Definitive Agreement**” means the share exchange agreement dated July 4, 2025 between QNB and ReSolve, as may be amended at the discretion of QNB and ReSolve.

“**Escrow**” has the meaning ascribed to it under Section 14 of this Listing Statement.

“**Escrow Agent**” means the escrow agent as may be agreed to by the QNB and ReSolve, each acting reasonably, in its capacity as the escrow agent as it pertains to the CSE Escrow Agreement.

“**Escrow Holders**” means the holders of CSE Escrow Securities.

“**IFRS**” means International Financial Reporting Standards.

“**Information Circular**” means the management information circular of QNB dated July 4, 2025, including all appendices and schedules hereto, and all amendments and supplements thereto.

“**Law**” means any applicable laws, including international, national, provincial, state, municipal and local laws, treaties, statutes, ordinances, judgments, decrees, injunctions, writs, certificates and orders, by-laws, rules, regulations, ordinances, or other requirements of any regulatory authority having the force of law.

“**Listing Statement**” means this listing statement of the Resulting Issuer, including the Schedules attached hereto.

“**MD&A**” means Management’s Discussion and Analysis.

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

“**NI 52-110**” means National Instrument 52-110 – *Audit Committees*.

“**Plan**” means the incentive stock option plan of QNB, to be approved at QNB meeting.

“**QNB**” or “**Corporation**” means QNB Metals Inc. incorporated October 19, 2020 under the CBCA, with articles of amendment filed on August 3, 2021.

“**QNB Meeting**” means the annual general and special meeting of QNB Shareholders to be held on July 30, 2025.

“**QNB Shares**” means the common shares in the capital of QNB.

“**ReSolve**” means ReSolve Energy Inc.

“**ReSolve Shares**” means all the issued and outstanding common shares in the capital of ReSolve.

“**ReSolve Hydrogen**” means ReSolve Hydrogen Inc.

“**Resulting Issuer**” means QNB after giving effect to the Transaction.

“**Resulting Issuer Options**” means the stock options of the Resulting Issuer issued pursuant to the Plan.

“**Resulting Issuer Shares**” means the QNB Shares post-consolidation upon completion of the Transaction.

“**Resulting Issuer Warrants**” means common share purchase warrants exercisable to purchase Resulting Issuer Shares.

“**Securities Laws**” means the applicable securities laws, regulations and rules, and the blanket rulings and policies and written interpretations of, and multilateral or national instruments applicable.

“**Subscription Receipts**” means the subscription receipts to be issued by QNB in connection with the Concurrent Financing at a price of \$0.25 per subscription receipt, each convertible into one (1) QNB Share at a deemed price of \$0.25 per QNB Share, upon completion of the Escrow Release Conditions.

“**SEDAR+**” means the System for Electronic Document Analysis and Retrieval developed by the Canadian Securities Administrators.

“**Transaction**” or “**RTO**” means together: (i) the Concurrent Financing; (ii) the Acquisition; and (iii) the CSE Listing.

Section 2: General Matters

This Listing Statement includes a summary description of certain material agreements of QNB and ReSolve. See “*Material Contracts*”. The summary description discloses attributes material to an investor but is not complete and is qualified by reference to the terms of the material agreements, which will be filed with the Canadian securities regulatory authorities and available on SEDAR+ at www.sedarplus.ca. Investors are encouraged to read the full text of such material agreements.

Financial Statement Presentation in this Listing Statement

This Listing Statement contains: (i) the audited annual financial statements of QNB as at and for the year ended April 30, 2025; (ii) the audited annual financial statements of ReSolve as at and for the year ended February 28, 2025; (iii) interim financial statements of ReSolve as at and for the three months ended May 31, 2025; (iv) interim financial statements of QNB as at and for the three months ended July 31, 2025; and (v) the pro forma financial statements of the Resulting Issuer, as at July 31, 2025 assuming completion of the Transaction.

(collectively, the “**Financial Statements**”).

The Financial Statements are all prepared in accordance with IFRS.

Forward-Looking Information

This Listing Statement contains forward looking statements that relate to QNB’s and ReSolve’s current expectations and views of future events. The forward-looking statements are contained principally in the sections entitled “*General Development of the Business*”, “*Use of Proceeds*”, “*Financial Information and Management’s Discussion and Analysis*”, and “*Risk Factors*”.

In some cases, these forward-looking statements can be identified by words or phrases such as “may”, “might”, “will”, “expect”, “anticipate”, “estimate”, “intend”, “plan”, “indicate”, “seek”, “believe”, “predict”, or “likely”, or the negative of these terms, or other similar expressions intended to identify forward looking statements. Statements containing forward looking information are not historical facts. QNB and ReSolve have based these forward-looking statements on their current expectations and projections about future events and financial trends that they believe might affect the Resulting Issuer’s financial condition, results of operations, business strategy, and financial needs.

This forward looking information includes, among other things, statements relating to: the completion, expenses and timing of the Closing of the Transaction; the CSE Listing and matters related thereto; the intentions, business, plans and future activities of the Resulting Issuer; statements related to the completion and the terms of the Concurrent Financing; the anticipated appointment of certain directors to the officers to the Resulting Issuer; anticipated developments in the operations of ReSolve and the Resulting Issuer; market position, ability to compete and future financial or operating performance of the Resulting Issuer; the timing and amount of funding required to execute the Resulting Issuer’s business plans; projected cash flows, including projected revenue and expenses of the Resulting Issuer; capital expenditures; the Resulting Issuer’s expected status of compliance with applicable legislation; the effect on the Resulting Issuer of any changes to existing or new legislation or policy or government regulation; the availability of labour; estimated budgets and working capital; currency fluctuations; requirements for additional capital; limitations on insurance coverage; future growth; the adequacy of financial resources; proposed use of available funds; and expectations regarding revenues, expenses and anticipated cash needs.

In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward looking information. Forward looking statements are based on certain assumptions and analyses made by QNB or ReSolve in light of the experience and perception of historical trends, current conditions, and expected future developments and other factors they believe are appropriate, and are subject to risks and uncertainties. Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and we cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties, and assumptions, investors and prospective investors should not place undue reliance on these forward-looking statements. Whether actual results, performance, or achievements will conform to QNB’s

or ReSolve's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions, and other factors, including those listed under "Risk Factors", which include:

- Regulatory compliance risks;
- Lack of raw materials;
- QNB and ReSolve may not satisfy all regulatory requirements;
- ReSolve and QNB expect to incur significant costs associated with the Transaction
- If the Transaction is not completed, QNB's future business and operations could be harmed;
- Health, safety, and environment;
- Change in societal expectations;
- Retention and acquisition of skilled personnel;
- Limited operating history;
- Managing growth;
- Supply chain;
- Cybersecurity;
- Legal and regulatory proceedings;
- Additional risks related to doing business internationally;
- Access to capital;
- Market for securities and volatility of share price;
- Profitability of the Resulting Issuer;
- Ongoing costs and obligations;
- Future acquisitions or dispositions;
- Global economic risk;
- Competition;
- Foreign sales and currency fluctuations;
- Internal controls; and
- Estimates or judgments relating to critical accounting policies.

If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in the forward-looking statements.

Information contained in forward looking statements in this Listing Statement is provided as of the date of this Listing Statement, and QNB and ReSolve disclaims any obligation to update any forward-looking statements, whether as a result of new information or future events or results, except to the extent required by applicable Securities Laws. Accordingly, investors and potential investors should not place undue reliance on forward-looking statements, or the information contained in those statements.

All of the forward-looking information contained in this Listing Statement is expressly qualified by the foregoing cautionary statements. Investors should read this entire Listing Statement and consult their own professional advisors to ascertain and assess the income tax, legal, risk factors and other aspects of their investment.

Market and Industry Data

Market and industry data presented throughout this Listing Statement was obtained from third party sources, industry reports and publications, websites and other publicly available information as well as industry and other data prepared by us or on our behalf on the basis of our knowledge of the markets in which QNB or ReSolve operates, including information provided by suppliers, customers and other industry participants. We believe that the market and economic data presented throughout this Listing Statement is accurate and, with respect to data prepared by us, or on our behalf, that our estimates and assumptions are currently appropriate and reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market and economic data presented throughout this Listing Statement are not guaranteed and we make no representation as to the accuracy of such data. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. Although we believe it to be reliable, we have not independently verified any of the data from third party sources referred to in this Listing Statement, analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or

ascertained the underlying market, economic and other assumptions relied upon by such sources. Market and economic data are subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey.

Currency Presentation

In this Listing Statement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and references to “dollars” or “\$” are to Canadian dollars and references to “US\$” are to United States dollars.

Section 3: Corporate Structure

Name, Address and Incorporation

QNB Metals Inc.

QNB Metals Inc. was incorporated under the CBCA on October 19, 2020 initially as Contact Télé-Médecine Inc., which later became Contact Vet Inc., and finally QNB Metals Inc. on May 18, 2021. QNB was listed on the CSE under the ticker “TIM.X” on September 14, 2021. The principal business of QNB is an exploration and development company committed to identifying and advancing opportunities in the mineral resource and clean energy sectors.

QNB’s head office address is 2700-1000 rue Sherbrooke West, Montréal Québec, H3A 3G4, Canada. The QNB Shares trade on the CSE under the symbol “TIM.X”.

ReSolve Energy Inc.

The target entity, ReSolve, is a private company incorporated under the CBCA on December 17, 2015 initially as Biomass Capital Inc., and changed its name to ReSolve Energy Inc. (“**ReSolve**”) on January 19, 2018.

ReSolve’s registered office address is 4690 rue Roberge, Lac-Mégantic, Quebec, G6B 2V9, Canada.

Resulting Issuer

The Proposed Transaction will be considered a “Fundamental Change” of the resulting entity following completion of the Proposed Transaction, as defined in the Canadian Securities Exchange Policy. The business of the Resulting Issuer will be the business of ReSolve Energy.

Prior to the completion of the Proposed Transaction, the Corporation intends to seek shareholder approval for the Proposed Transaction at an annual general and special meeting of its shareholders to approve, amongst other items: (a) the Transaction, (b) the Name Change; (c) the Consolidation; (d) the election of the new director to the Board; and (e) other corporate matters. A disclosure document with respect to the Proposed Transaction will be mailed to shareholders and posted on the Corporation’s SEDAR+ profile at www.sedarplus.ca.

Following the Acquisition, the Resulting Issuer and its hydrogen-focused subsidiary, ReSolve Hydrogen, will have their head office located at 4690 rue Roberge, Lac-Mégantic, Quebec, G6B 2V9.

Intercorporate Relationships

Prior to the closing of the Transaction, ReSolve holds the following equity interests:

- 4,000,000 QNB Shares on a pre-Consolidation basis;
- 50.1% ownership of ReSolve Hydrogen, a subsidiary dedicated to hydrogen exploration and development, with the remaining 49.9% of ReSolve Hydrogen currently owned by QNB.

Upon completion of the Transaction: (i), QNB will return the 49% interest in ReSolve Hydrogen to ReSolve in consideration of the cancellation of the 4,000,000 QNB Shares on a pre-Consolidation basis currently owned by ReSolve, and (ii) issue 18,000,000 QNB Shares on a post-Consolidation basis in exchange for acquiring all the issued

and outstanding ReSolve Shares, effectively consolidating its ownership of ReSolve and ReSolve Hydrogen, while maintaining ReSolve Hydrogen as a subsidiary focused on hydrogen-related initiatives.

Organization chart – prior to the closing of the Transaction

QNB Metals Inc.

└─ ReSolve Hydrogen Inc. (49.9%)

ReSolve Energy Inc.

└─ ReSolve Hydrogen Inc. (50.1%)

Organization chart – Resulting Issuer upon closing of the Transaction

QNB Metals Inc. (parent company, to change its name to ReSolve Energy Inc.)

└─ ReSolve Energy Inc. (100% wholly owned subsidiary of QNB to change its name to ReSolve Energy Holding Inc.)

└─ ReSolve Hydrogen Inc. (100% wholly owned subsidiary of ReSolve Energy Holding Inc.)

Section 4: General Development of the Business

Business of QNB Prior to Closing of the Transaction

In September 2021, Canadian Metals Inc. (“CME”) completed a strategic spin-out of its Lac La Chesnaye property in Québec by forming a wholly owned subsidiary named QNB Metals Inc. (the “**Spin-Out**”).

The Spin-Out was executed through a plan of arrangement under the *Business Corporations Act* (Québec). As part of the arrangement, CME transferred the Lac La Chesnaye property (the “**Lac La Chesnaye Property**”) to QNB in exchange for 4,299,961 Class A common shares of QNB. The Lac La Chesnaye Property consisted of 9 mineral claims (448 hectares) located 11 km north of Baie-Comeau, Québec, on the east shore of Lac La Chesnaye. Upon closing of the Spin-Out, CME reorganized its share capital and distributed these QNB Shares to its shareholders on a pro rata basis, with each shareholder of CME receiving approximately 0.05866 QNB shares for every CME share held as of September 8, 2021. The Spin-Out aimed to unlock the value of the Lac La Chesnaye Property by establishing QNB as a focused entity dedicated to its development.

QNB is a reporting issuer in British Columbia, Alberta, Ontario and Québec. QNB common shares are listed on the CSE under the symbol “TIM.X”. Continuous listing of QNB Shares is subject to QNB meeting CSE listing requirements.

Currently, QNB’s primary activity is related to the joint venture it has with ReSolve Energy within the co-owned ReSolve Hydrogen. QNB is awaiting legislative change in Quebec as it relates to hydrogen rights being linked to mineral surface rights and remains in search of additional claims to stake with potential for hydrogen discoveries.

QNB also holds mineral claims with historical salt deposits in Nova-Scotia which it is evaluating as useful as a carbon-capture structure or possible disposition to a willing buyer. There are no planned exploration expenditures in the next fiscal year as the company shifts exclusive focus onto the Biofuel side of the Resulting Issuer.

Two-year Timeline of QNB

Financial Year ended April 30, 2024

On June 7 2023, QNB completed a private placement of 1,300,000 units at a price of \$0.05 per unit. Each unit comprised one share and one warrant exercisable into one QNB Share at a price of \$0.40 until June 7, 2025.

On January 20, 2023, QNB entered into an agreement with Slam Exploration Ltd., whereby QNB was provided an option to acquire a 100% interest in the Goodwin Lake Property, subject to a 2% net smelter royalty. Pursuant to the option, 500,000 QNB Shares at a deemed price of \$0.005 were issued on January 27, 2023. This option agreement was terminated on February 13, 2024.

On January 31, 2023, QNB entered into an agreement with Stéphanie Marceau and Prospect Or Corp., whereby QNB was provided an option to acquire a 100% interest in the Bathurst property, subject to a 2% net smelter royalty. Pursuant to the option, 1,000,000 QNB Shares at a deemed price of \$0.025 were issued on January 31, 2023. This option agreement was terminated on February 13, 2024.

On June 12, 2023, QNB entered into an agreement with Fernand Robichaud, whereby QNB was provided an option to acquire a 100% interest in 35 mining claims adjacent to the Goodwin Property, subject to a 2% net smelter royalty. Pursuant to the option, 100,000 QNB Shares at a deemed price of \$0.11 were issued on January 31, 2023. This option agreement was terminated on February 13, 2024.

On June 12, 2023, QNB entered into an agreement with Stéphanie Marceau and Prospect Or Corp., whereby QNB was provided an option to acquire a 100% interest in 30 mining claims, know as South Branch Lake, adjacent to the Goodwin Property, subject to a 2% net smelter royalty. Pursuant to the option, 3,000,000 QNB Shares at a deemed price of \$0.11 were issued on January 31, 2023. This option agreement was terminated on February 13, 2024.

On October 13, 2023, QNB completed a private placement of 850,000 units at a price of \$0.05 per unit. Each unit comprised one share and one warrant exercisable into one QNB Share at a price of \$0.40 expiring October 13, 2025.

On October 30, 2023, QNB acquired a 100% interest in the Kingsville's Salt property located in Nova Scotia, Canada by issuance of 9,000,000 QNB Shares at a deemed price of \$0.02 on Novembre 16, 2023. The Company also issued on the same dated 900,000 QNB Shares at a deemed price of \$0.02 as finder fees pursuant to this acquisition.

On November 15, 2023, QNB signed an option to acquire a 100% interest in the Havre Aubert East property located in the Magdalen Islands in the Province of Quebec, Canada. Pursuant to this transaction, 500,000 QNB Shares were issued at a deemed price of \$0.02 on November 16, 2023. The option agreement was terminated during February 2024.

Financial Year ended April 30, 2025

On September 19, 2024, QNB entered a letter of intent (the “**Hydrogen LOI**”) with ReSolve, as amended on May 15, 2025, to: (i) create a jointly controlled subsidiary and have ReSolve transfer all its leading patent pending white hydrogen technology related to white hydrogen from geological sources (the “**Hydrogen Joint Venture**”), and (ii) grant an option to QNB to acquired 100% of ReSolve. The newly created subsidiary named ReSolve Hydrogen Inc. was to focus on hydrogen exploration, research, and related intellectual property development, and commercialization. ReSolve was to provide ongoing management support, expertise, and equipment required to conduct research and development and commercialize the technology.

On September 30, 2024, QNB entered into shares for debt agreement to satisfy a total of \$305,000 of QNB's outstanding debt (the “**Debt**”). On November 4, 2024, QNB issued to the creditor an aggregate of 6,100,000 QNB Shares at a deemed price of \$0.05 per share. Creditors included certain related parties of the Corporation, including Stéphane Leblanc, the former CEO and a director of QNB, and Nikolas Perreault, a former director of QNB.

On November 4, 2024, Ian C. Peres was appointed as the new Chief Executive Officer, succeeding Stéphane Leblanc, who remained on the board of directors of QNB (the “**QNB Board**”). Additionally, Mario Drolet joined QNB Board, bringing extensive capital markets and investor relations experience.

On November 29, 2024, QNB completed a private placement financing of \$510,000 in gross proceeds and issued 10,200,000 units at a price of \$0.05 per unit comprised of one common share and one purchase warrant exercisable at \$0.075 for eighteen months from closing. The purchase warrants were subject to an accelerated expiry under certain

conditions. There was a total of \$20,184 in cash finders' and other fees paid, 310,000 broker compensation warrants under the same terms as the purchase warrants, and 50,000 broker compensation warrants exercisable at \$0.14 for eighteen months from closing. Insiders subscribed for \$7,500 or 150,000 units of the Financing.

On January 16, 2025, to give effect to the Hydrogen Joint Venture pursuant to the terms of the Hydrogen LOI, ReSolve and QNB entered into a share purchase agreement, pursuant to which ReSolve transferred to QNB 450,000 common shares (the "**ReSolve Hydrogen Shares**") in the capital of ReSolve Hydrogen Inc., a new subsidiary created by ReSolve, representing a 49.09% equity stake, in consideration for: (i) a cash payment of \$50,000, and (ii) 4,000,000 QNB Shares at a deemed price of \$0.10 per QNB Share, for a total consideration of \$450,000. ReSolve Hydrogen focuses on hydrogen exploration, research, and related intellectual property development, and commercialization. ReSolve Hydrogen's board of directors was initially comprised of one member nominated by ReSolve and one member nominated by QNB.

On January 16, 2025, Stephane Leblanc stepped down from the president position that was immediately assumed by Ian C. Peres.

On March 20, 2025, Stephane Leblanc stepped down from its position as director of QNB and was replaced by Michael Mansfield.

On March 27, 2025, Nikola Perrault resigned from the board of directors of QNB.

Current Financial Year

On May 15, 2025, QNB entered into a non-binding letter of intent (the "**ReSolve LOI**") outlining the terms for the Transaction, pursuant to which QNB will acquire all the issued and outstanding ReSolve Shares.

On July 4, 2025, in connection with the LOI, QNB entered into the Definitive Agreement with ReSolve and the ReSolve Shareholders, pursuant to which QNB will acquire all the issued and outstanding shares of ReSolve.

Purchase Price

In consideration for the acquisition of the ReSolve Shares, QNB shall, at the time of closing, issue from treasury to the ReSolve Shareholders, pro rata in proportion to their holdings of ReSolve Shares at the time of closing, an aggregate of 18,000,000 QNB Shares on a post-Consolidation basis (each, a "**Payment Share**") at a deemed price of \$0.25 per Payment Share, such that, immediately following the closing of the Transaction (the "**Closing**"), all of the ReSolve Shares will be owned by QNB and ReSolve will become a wholly-owned subsidiary of QNB upon Closing. The \$0.25 was calculated based on the \$2.4 million QNB market capitalization (share price \$0.05 x 46,749,961 pre-consolidation) converted on the basis of a 1:5 share consolidation resulting in 9,549,992 post-consolidation shares at \$0.25 per post consolidation share.

Concurrently with and as a condition precedent to the Closing, QNB will return the 450,000 ReSolve Hydrogen Shares to ReSolve in consideration of the cancellation of the 4,000,000 QNB Shares issued to ReSolve.

Concurrent Financing

Pursuant to the Definitive Agreement, it is a condition of Closing that QNB complete a non-brokered private placement of not less than 10,000,000 subscription receipts of QNB (the "**Subscription Receipts**") and up to a maximum of 12,000,000 Subscription Receipts, at a price of \$0.25 per Subscription Receipt, for gross proceeds of a minimum of \$2,500,000 up to a maximum of \$3,000,000, or such other amount as necessary to comply with the policies of the Exchange (the "**Concurrent Financing**"). The Concurrent Financing will be conducted by way of a subscription receipt financing, whereby certain investors will invest cash in consideration for Subscription Receipts, with each Subscription Receipt representing the right of the holder thereof to receive, immediately prior to Closing subject to satisfaction of certain escrow release conditions, one common share on a post-Consolidation basis, without any further act or formality, and for no additional consideration.

Name Change

Upon Closing, the entity resulting from the Transaction (the “**Resulting Issuer**”) may change its name to “ReSolve Energy Inc.” or such other name as QNB and ReSolve agree to, following the Closing Date (the “**Name Change**”).

Consolidation

Prior to the completion of the Transaction, and provided that the conditions precedent in the Definitive Agreement that may be satisfied prior to the time of Closing are satisfied or waived by QNB, QNB will complete a consolidation of its common shares on the basis of one post-consolidation QNB Share for every five pre-consolidation QNB Shares (the “**Consolidation**”).

Upon completion of the Transaction and a minimum closing of the Concurrent Financing, it is expected that: (i) the former QNB Shareholders will hold approximately 23.39% of the Resulting Issuer Shares; (ii) the former shareholders of ReSolve will hold approximately 49.25% of the Resulting Issuer Shares; investors in the Concurrent Financing will hold approximately 27.36% of the Resulting Issuer Shares.

Business of ReSolve Prior to Closing of the Transaction

Summary

ReSolve is a private Canadian company focused on the development and commercialization of advanced biofuel and renewable energy technologies, as well as the exploration of natural hydrogen resources. ReSolve has engineered a proprietary acid hydrolysis platform capable of converting residual biomass—including bark, demolition wood, and paper sludge—into three complementary renewable energy products: second-generation ethanol, industrial-grade lignin pellets, and electricity generated via integrated biomass cogeneration.

These products serve a range of transportation, industrial heating, and power markets. ReSolve also holds a 50.1% interest in ReSolve Hydrogen, a joint venture dedicated to the detection and development of white hydrogen across Ontario and Québec. ReSolve’s operations are currently at the pre-commercial stage, with a fully validated pilot platform and a commercial demonstration project in development.

Production and Service

1. Principal Products and Markets

ReSolve’s business model is based on processing these residual feedstocks into three revenue-generating products:

- a) Ethanol: Produced from the sugar fraction of biomass via acid hydrolysis and fermentation. This ethanol meets clean fuel blending requirements and will be sold to refiners and blenders under long-term offtake agreements or spot-market contracts.
- b) Lignin Pellets: The lignin-rich fraction is pelletized and marketed as an industrial solid fuel. These high-calorific-value pellets are sold to cement plants, lime kilns, and district energy systems seeking to reduce their Scope 1 carbon emissions.
- c) Electricity: Low-grade biomass like CRD wood and paper sludge, which may not be suitable for ethanol or pellet production, will be combusted in a biomass-fueled combined heat and power (CHP) unit. The electricity generated—more than 95% of which is available for sale—will be supplied to the local grid or directly to nearby industrial users via power purchase agreements (PPAs), creating a third revenue stream.

Together, these outputs enable ReSolve to monetize both the carbohydrate and lignin fractions of biomass while valorizing low-grade inputs as fuel for energy generation. This closed-loop approach improves economic resilience and allows the company to operate in regions where feedstock availability, industrial demand, and grid access intersect.

2. Distribution and Offtake

ReSolve intends to commercialize its products primarily through long-term offtake contracts tailored to each product line. Ethanol will be distributed using existing fuel handling infrastructure, enabling seamless integration into current

supply chains. Lignin pellets will be transported in bulk, either by road or rail, depending on the geographic location of the offtake partner. Electricity will be sold either to the grid under applicable feed-in tariff programs or directly to industrial users through negotiated supply agreements.

3. Revenue Profile

ReSolve is in the pre-commercial phase for its technologies. It has received and been prequalified for government grants and scientific research and experimental development refundable investment credits but has not recorded material revenues in the last two fiscal years.

4. Stage of Development and R&D

The biorefining process has been validated through pilot-scale testing, with confirmed sugar yields, pellet performance, and modeled energy output. R&D has been conducted internally and in partnership with universities since 2015. Over \$3.5 million has been invested to date, including more than \$2 million in public grants. ReSolve is currently progressing toward the construction of a first commercial demonstration plant. Engineering studies are ongoing, and site selection and permitting have commenced.

ReSolve began its R&D efforts in 2015 through an industrial-academic collaboration, which led to the successful validation of its biomass-to-fuel process at a pilot facility in Québec between 2018 and 2022. The technology has now achieved full pilot-scale validation and reached an engineering maturity level sufficient to support the planning and execution of a demonstration-scale project. ReSolve conducts its R&D activities in-house, supported by engineering contractors and previous collaborations with university researchers. ReSolve's R&D program has been bolstered by over \$2 million in non-dilutive government grants, contributing to a total investment of approximately \$3.5 million to date. To advance to commercial production, ReSolve must complete detailed engineering work, secure permits, and raise capital for its first commercial facility, which is designed to process 15,000 tonnes of biomass annually, with scalability up to 30,000 tonnes per year. The estimated capital expenditures for the facility range from CA\$65 million to CA\$110 million, with first production expected within 18 months following financing. Site selection and the development of commercial partnerships are already well underway.

5. Planned Natural Hydrogen Exploration Activities

ReSolve Hydrogen plans on undertaking a structured exploration program to identify naturally occurring hydrogen in Québec and Ontario. ReSolve Hydrogen is awaiting legislative change in Quebec as it relates to hydrogen rights being linked to mineral surface rights. As such, there are no planned operations in the next fiscal year.

Ultimate exploration programs will include expansion of staked claims portfolio, surface surveys and sampling soil gases and groundwater on identified "fairy circle" anomalies, geophysical profiling using resistivity and EM methods to model shallow hydrogen-bearing zones, shallow borehole drilling with gas logging and safety casing, leading to production testing, technology integration with real-time monitoring probes and prototype gas separation modules to be tested on-site, and commercial evaluation with technical reports and economic assessments to follow, supported by academic and industrial partners.

Specialized Skill and Knowledge

ReSolve's operations rely on proprietary knowledge in acid hydrolysis, integrated thermal system design, biomass feedstock conditioning, and pellet engineering. ReSolve also maintains trade secrets and control parameters for energy efficiency, acid recovery, and product formulation.

Competitive Conditions

ReSolve's business model is highly differentiated, with patent pending technology, and as such no direct competitors, in the conversion of forestry and other biomass waste into three robust green energy offerings. It is anticipated that earnings will be generated beginning year one (1) from the first commercial plant, supported by a virtually limitless annual supply of biomass residues, relative to the anticipated size of our first commercial plant. The demand for

additional commercial plants is expected to be robust, with our technology that has demonstrated potential scalability in testing, as global decarbonization efforts intensify.

Our patent-pending technology enables the conversion of biomass into three green energy products: second-generation (2G) ethanol, lignin pellets, and electricity. The design of ReSolve's facilities is intended to allow for easy scalability, facilitating the expansion of additional plants.

ReSolve's green initiatives align closely with public policy priorities and are supported by substantial government funding, including up to 75% in non-dilutive grants and up to 50% in refundable investment tax credits under the Scientific Research and Experimental Development (SR&ED) program. ReSolve's electricity is generated through cogeneration systems, with all steam used internally at the biorefinery and no emissions released into the atmosphere. The company continues to validate its technology through rigorous R&D efforts, and its demonstration plant represents the final step before launching commercial operations. Notably, ReSolve is also working to develop the first white hydrogen technology of its kind in Canada.

New Products

ReSolve's technology portfolio includes subsurface hydrogen sensing probes, membrane and cryogenic separation modules, and closed-loop hydrogen recovery from aquifers. These remain under active R&D and are protected by multiple patent pending filings.

Components and Intangible Properties

ReSolve owns equipment including reactors, pellet presses, CHP modules, and fermentation skids which have been used during the pilot scale testing phase of development. Intangible assets include six provisional patents (three in biofuels, three in hydrogen), operational trade secrets, and exclusive know-how in biomass conditioning and lignin pelletization.

Cycles

Biomass feedstock is moderately seasonal. Mitigation includes diversified sourcing, multi-type input acceptance, and storage capacity. Demand for ReSolve's products is anticipated to remain stable year-round. Further operations of the plant are not influenced with exterior weather in any way.

Economic Dependence

ReSolve is not presently dependent on any single client, supplier, or partner and is negotiating with several forestry companies. It remains prequalified on several government grant programs, scientific research and experimental development refundable investment tax credits, and further capital raises to fund ongoing operations.

Changes to Contracts

Other than the Definitive Agreement, there have been no material changes or terminations of contracts over the past fiscal year that would impact ReSolve's business.

Environmental Protection

ReSolve's platform is designed to meet or exceed environmental compliance thresholds. Features include a reduced Green House Gas ("GHG") intensity relative to both fossil and first-generation biofuels, limited persistent solid waste, and compliance-ready effluent for municipal or biogas integration. ReSolve intends to apply for carbon credits and Low Carbon Fuel Standard ("LCFS") certification in target jurisdictions.

Employees

ReSolve's business is not labour intensive and it currently employs five full-time staff across technical, administrative, and project management roles. It also engages specialized contractors and academic partners through consulting agreements.

Foreign Operations

All activities are currently based in the province of Québec and Ontario in Canada. ReSolve has identified potential for future expansion outside these jurisdictions but does not yet conducted operations outside Canada.

Lending and Reorganizations

ReSolve has not undertaken any major reorganizations or entered into lending arrangements that would materially impact its structure or business.

Social or Environmental Policies

ReSolve has adopted environmental responsibility policies consistent with Québec's circular economy framework. It is also developing deployment and hiring policies for Indigenous communities and rural biomass zones.

Two-year Timeline of ReSolve

Financial Year ended February 29, 2024

During the year ended February 29, 2024, ReSolve received \$72,000 in municipal grants. During the year ended February 29, 2024, ReSolve did apply for any refundable and non-refundable SR&ED investment tax credits related to eligible research and development activities.

On February 29, 2024, ReSolve issued share-based compensation of \$229,250 in the form of 655,000 common shares at a deemed value of \$0.35.

Financial Year ended February 28, 2025

On January 16, 2025, ReSolve finalized the Hydrogen Joint Venture with QNB.

On February 28, 2025, ReSolve issued share-based compensation of \$87,500 in the form of 250,000 common shares at a deemed value of \$0.35.

During the year ended February 28, 2025, ReSolve received \$9,375 in grants related to a cleantech energy program and also received \$66,000 in municipal grants. During the year ended February 28, 2025, ReSolve did not apply for any refundable and non-refundable SR&ED investment tax credits related to eligible research and development activities.

Current Financial Year

Since March 2025, ReSolve has focused on the financing of its next phase of development, as well as advancing the Transaction, which led to the ReSolve LOI on May 15, 2025 and the execution of the Definitive Agreement on July 4, 2025.

Section 5: Description of the Business

Business of the Resulting Issuer Upon Closing of the Transaction

Upon completion of the Transaction, the Resulting Issuer will carry on the business of ReSolve which will be a wholly-owned subsidiary of the Resulting Issuer. For further details, see "*Business of ReSolve Prior to Closing of the Transaction*".

Reverse Takeover Transaction with ReSolve Energy Inc.

The Transaction

On July 4, 2025, QNB entered into a definitive agreement (the "**Agreement**") with the shareholders of ReSolve. Pursuant to the Agreement, QNB will acquire all of the issued and outstanding ReSolve Shares in exchange for the issuance of 18,000,000 QNB Shares to the shareholders of ReSolve (the "**Transaction**" or the "**RTO**"). Concurrently

with and as a condition precedent to the Closing, QNB will return 450,000 ReSolve Hydrogen Shares to ReSolve in consideration of the cancellation of the 4,000,000 QNB Shares issued to ReSolve.

The Transaction constitutes a "reverse takeover" of QNB within the meaning of the policies of the CSE. Upon completion of the RTO, the business of QNB will be refocused to include the operations of ReSolve, and the combined entity will carry on the dual business of natural hydrogen and salt resource exploration and advanced renewable biofuels technologies, with a particular emphasis on second-generation ethanol production from biomass and hydrogen exploration and valorization.

Consideration

Under the terms of the Agreement, QNB will issue 18,000,000 post-consolidation QNB Shares to the shareholders of ReSolve at a deemed price of \$0.25 per share, representing a notional transaction value of \$4,500,000 for ReSolve on a 100% basis.

QNB Shares to be issued as consideration for the Transaction will be subject to a contractual escrow and resale restrictions in accordance with applicable Securities Laws and CSE policies.

Closing Conditions and Approvals

The completion of the Transaction is subject to a number of conditions precedent, including but not limited to:

- Receipt of all necessary corporate, shareholder, regulatory, and third-party approvals, including the approval of the CSE;
- Approval of the Transaction by shareholders of QNB; and
- Completion of audited financial statements of ReSolve in accordance with National Instrument 51-102 – Continuous Disclosure Obligations.

The closing of the Transaction is expected to occur on or about August 31, 2025, subject to the satisfaction or waiver of all closing conditions.

Relationship Between the Parties

The Transaction is considered to be an arm's length transaction within the meaning of MI 61-101 – *Protection of Minority Security Holders in Special Transactions*. ReSolve currently holds 4,000,000 QNB Shares on a pre-consolidated basis, representing approximately 8.6% of the issued and outstanding QNB Shares pre-transaction and pre-consolidation. Those QNB Shares will be cancelled pursuant to the terms of the Definitive Agreement.

The Resulting Issuer

Upon completion of the Transaction, the Resulting Issuer will continue to be listed on the CSE under a new name to be determined prior to closing. The Resulting Issuer will be engaged in:

- Advanced biofuels and green second-generation ethanol production through patented modular and second-generation processes developed by ReSolve;
- Exploration and development of natural hydrogen and associated salt deposits in Québec, Ontario, and Nova Scotia.

The directors, officers, and insiders of the Resulting Issuer will be comprised of representatives from both QNB and ReSolve, as described in herein.

Section 6: Use of Proceeds

Available Funds and Principal Purposes

Upon the closing of the Transaction, the Resulting Issuer will have aggregate available funds of approximately \$4,669,014, based on the pro forma working capital of QNB and ReSolve, comprised as follows:

Sources of Available Funds	Available Funds (\$)
QNB Working Capital deficiency ⁽¹⁾	(171,255)
ReSolve Working Capital deficiency ⁽²⁾	(203,613)
Gross Proceeds from the Concurrent Financing ⁽³⁾	2,375,000
Total pro forma working capital available as of CSE Listing (unaudited)	2,000,132
Projected cash flow by Resulting Issuer through twelve (12) months operations	Nil
Government grants (identified programs, expense reimbursement, previously qualified) ⁽⁴⁾	2,500,000
Total available cash to the Resulting Issuer post-twelve months from Closing	4,500,132

⁽¹⁾ As of September 30, 2025.

⁽²⁾ As of September 30, 2025.

⁽³⁾ Represents the total gross proceeds raised from the Concurrent Financing of Subscription Receipts.

⁽⁴⁾ In 2023-24, the Ministry of Forests, Wildlife and Parks and the Ministry of the Environment (Transition Énergétique Québec) awarded RéSolve Énergie grants (Wood Innovation and Technoclimat program) of \$11.5 million for the establishment of a demonstration plant. Subsequently, these subsidies were not used by RéSolve Énergie, which reduced the size of its commercial plant by 5 times and added cogeneration to it in order to meet its energy needs and ensure the profitability of its project. The Corporation is in discussion with Transition Énergétique Québec and will submit requests for financial support based on the same technology to the provincial government authorities but for a much smaller amount of \$2.5 million. In addition, in order to benefit from grants of up to 75% of its needs, RéSolve will apply for financial assistance from two other federal government programs, which would allow us to reach \$3.75 million in grants.

The \$2.5 million Concurrent Financing, a condition precedent for closing of the Transaction, provides the necessary working capital to qualify for the minimum \$2.5 - \$3.75 million in grants.

Considering that ReSolve Energy's project had been accepted, from the same grant program, for up to \$9.5 million in 2022, the Corporation has a high degree of certainty regarding its eligibility for these same programs.

In the unlikely instance where none of these grant programs be awarded to Resolve following the closing of the \$2.5 million Concurrent Financing, the Corporation shall be required to find alternate sources of funding for the \$2.5 million.

Upon the closing of the Transaction, the principal purposes for the foregoing available funds are anticipated to be as follows:

Principal Use of Funds	Funds (\$)
Equipment and installation to upgrade pilot plant to demonstration plant	3,800,000
Feasibility study for first Commercial Plant	125,000
Expenses related to the completion of the Transaction ⁽¹⁾	30,000
Closing costs of the Concurrent Financing ⁽²⁾	125,000

General and administrative costs estimated for operating twelve (12) months ⁽³⁾	380,000
Finalize patent protection on patent pending filings	25,000
Unallocated funds (including projected cash flows generated by Resulting Issuer for the next twelve (12) months)	15,132

⁽¹⁾ Expenses related to the completion of the Transaction are anticipated to be as follows: legal fees of \$20,000 and transfer agent fees of \$10,000.

⁽²⁾ Expenses are finder's fees pursuant to the Concurrent Subscription Receipt Financing.

⁽³⁾ Operating expenses include \$280,000 in salaries, \$50,000 in legal and accounting and \$50,000 in listing and continuous disclosure related fees.

It is anticipated that the available funds will be sufficient to achieve the Resulting Issuer's objectives over the next twelve (12) months. The Resulting Issuer intends to spend the funds available to it as stated in this Listing Statement. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. Use of funds will be subject to the discretion of management. Until the Resulting Issuer uses the unallocated funds, it will hold them in cash and/or invest them in short-term, interest-bearing, investment-grade securities.

Business Objectives and Milestones

The business objectives and milestones of the Resulting Issuer for the next 12 months are the following:

Business Objectives	Key Milestone/Significant Events	Anticipated Cost of Key Milestone (\$)	Anticipated Timing of Key Milestone
Equipment supply and installation	Demonstration plant setup	3,800,000	Six (6) months after the completion of the Transaction
Operation to finalize final engineering for first commercial plant	Demonstration plant operational		Four (4) months of operation following above (i.e. Month 10)
Used in design of first commercial plant	Feasibility study	125,000	One (1) month following above (i.e. Month 11)
Finalize patent protection on patent pending filings	Protect Intellectual Property (IP)	25,000	Six (6) to nine (9) months after the completion of the Transaction
Total		3,950,000	

Section 7: Dividend or distributions

Neither QNB nor ReSolve have a dividend policy and they do not currently pay dividends to its shareholders. Subject to the requirements of the CBCA, there are no restrictions in the Resulting Issuers' bylaws or elsewhere that prevent the Resulting Issuer from paying dividends. All of the Resulting Issuer Shares are entitled to an equal share in any dividends declared and paid. However, it is not contemplated that the Resulting Issuer will issue any dividends on the Resulting Issuer Shares in the foreseeable future. It is anticipated that all available funds will be invested to finance the growth of the Resulting Issuer's business. The directors of the Resulting Issuer will determine if, and when,

dividends will be declared and paid in the future from funds properly applicable to the payment of dividends based on the Resulting Issuer’s financial position at the relevant time.

Section 8: Management’s Discussion and Analysis (“MD&A”)

The following Financial Statements and MD&A are included as schedules to this Listing Statement:

- Schedule A:** Audited Annual Financial Statements of QNB for the years ended April 30, 2025 and 2024;
- Schedule B:** MD&A of QNB for the year ended April 30, 2025;
- Schedule C:** Audited Annual Financial Statements of ReSolve for the years ended February 28, 2025 and February 29, 2024;
- Schedule D:** MD&A of ReSolve for the year ended February 28, 2025;
- Schedule E:** Interim Financial Statements of ReSolve for the three months ended May 31, 2025;
- Schedule F:** MD&A of ReSolve for the three months ended May 31, 2025;
- Schedule G:** Interim Financial Statements of QNB for the three months ended July 31, 2025;
- Schedule H:** MD&A of QNB for the three months ended July 31, 2025; and
- Schedule I:** Unaudited *Pro Forma* Financial Statements for the Resulting Issuer as at July 31, 2025.

The Financial Statements and the financial data derived therefrom and included in this Listing Statement have been prepared in accordance with IFRS.

ReSolve’s MD&A included herein should be read in conjunction with the Financial Statements and the disclosure contained in this Listing Statement. The discussions of results are as of the dates stated in the applicable MD&A.

Summary of Financial Information

The following table sets forth selected financial information for QNB and ReSolve and should be read in conjunction with the Financial Statements attached hereto.

	ReSolve at February 29, 2024 (\$)	ReSolve at February 28, 2025 (\$)	ReSolve at May 31, 2025 (\$)	QNB at April 30, 2024 (\$)	QNB at April 30, 2025 (\$)	QNB at July 31, 2025 (\$)	Pro Forma as at July 31, 2025 (\$)
Grants & Other income	106,616	151,376	27,311	-	-	-	27,311
Net income (loss)	(439,529)	546,224	(103,070)	(965,414)	(479,095)	(134,209)	(2,839,741) ⁽¹⁾
Basic and diluted net income (loss) per Common Share	(0.02)	0.02	(0.00)	(0.05)	(0.01)	(0.00)	(0.08)
Total assets	265,896	859,082	839,618	91,472	558,649	508,974	2,736,193
Total liabilities	91,106	50,568	134,174	579,989	240,662	325,196	452,975
Shareholders’ equity (deficiency)	174,790	808,514	705,444	(488,517)	317,987	183,778	2,283,218
⁽¹⁾ listing expense of \$2,622,462 reported in the pro forma consolidated statements of income (loss) and comprehensive income (loss) as at July 31, 2025							

Section 9: Description of Share Capital

Resulting Issuer

The following describes material terms of the anticipated share capital of the Resulting Issuer. The following description may not be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of the Resulting Issuer's certificate of incorporation and bylaws.

Resulting Issuer Shares

The authorized share capital of the Resulting Issuer will continue to be an unlimited number of common shares without par value. The holders of Resulting Issuer Shares are entitled to receive notice of and attend and vote at all shareholder meetings. Each Resulting Issuer Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Resulting Issuer. The holders of the Resulting Issuer Shares, subject to the prior rights, if any, of any other class of shares of the Resulting Issuer, are entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Resulting Issuer, whether voluntary or involuntary, the holders of the Resulting Issuer Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Resulting Issuer, the remaining property and assets of the Resulting Issuer.

As of the Closing Date, it is anticipated that the Resulting Issuer will have 36,549,992 Resulting Issuer Shares issued and outstanding.

Resulting Issuer Warrants

The Resulting Issuer Warrants are governed by the terms of the respective warrant certificate. Each Resulting Issuer Warrant entitles the holder thereof to purchase one Resulting Issuer Share at its stated exercise price, subject to adjustments as described herein.

The exercise price and number of Resulting Issuer Shares issuable on exercise of the Resulting Issuer Warrants may be adjusted in certain circumstances, including in the event of a stock dividend, extraordinary dividend, or the Resulting Issuer's recapitalization, reorganization, merger or consolidation.

QNB uses the Black-Scholes Model to calculate the value of warrants issued as part of QNB's public and/or private placements. The Black-Scholes Model requires six key inputs to determine a value for a warrant: risk-free interest rate, exercise price, market price at date of issuance, expected yield, expected life, and expected volatility. Certain of the inputs are estimates, which involve considerable judgment and are, or could be, affected by significant factors that are out of QNB's control. Proceeds from unit placements, net of issuance costs, are allocated between common shares and warrants issued using the residual method. The fair value of the common share is determined by the residual method, with warrants being valued first and the remaining residual value of the unit being assigned to the common share.

Upon completion of the Transaction, it is anticipated that the Resulting Issuer will have 2,542,000 Resulting Issuer Warrants issued and outstanding.

Resulting Issuer Options

The Resulting Issuer will adopt QNB's rolling incentive option plan (the "**Plan**") for the benefit of directors, officers, employees and consultants. The maximum number of common shares reserved for issuance and available for purchase pursuant to options granted under the Plan cannot exceed 10% of the total number Resulting Issuer Shares issued and outstanding at the date of any grant made and the collective maximum number of QNB Shares that may be issued pursuant to the Awards granted under the Plan cannot exceed 10% of the total number Resulting Issuer Shares issued and outstanding at the date of any grant made. Awards pursuant to the Plan are granted at the discretion of the Board of Directors, vest at schedules determined by the Board, and have an exercise price of not less than that permitted by the stock exchange on which the shares are listed. See section "*Options to Purchase Securities*".

Upon completion of the Transaction, it is anticipated that the Resulting Issuer will have 510,000 Resulting Issuer Options issued and outstanding.

Resolve

ReSolve Shares

ReSolve may issue an unlimited number of Class A shares and an unlimited number of Class B shares with the following rights, privileges, restrictions, and conditions:

- i. Holders of Class A shares, whether issued with or without par value, have the right to vote at all shareholder meetings, except those where only holders of a particular class are entitled to vote. They are entitled to receive the remaining property of the corporation upon its dissolution and, subject to the rights and privileges of the Class B shares, to receive any dividends declared by the board of directors.
- ii. Holders of Class B shares are entitled to receive a fixed dividend as determined by the board of directors. In the event of ReSolve's dissolution or winding-up, they are entitled to receive a return of the amount paid for their shares, along with any declared and unpaid dividends, before any distribution is made to Class A shareholders. However, Class B shares do not confer any right to participate further in the profits or assets of the corporation. Class B shareholders are not entitled to vote at shareholder meetings, except as expressly provided by the *Canada Business Corporations Act*.

Upon completion of the Transaction, ReSolve will become a wholly owned subsidiary of the Resulting Issuer.

Section 10: Consolidated Capitalization

The following table sets forth the Resulting Issuer's anticipated consolidated capitalization on a pro forma as adjusted basis effective upon the closing of the Transaction. This table is presented and should be read in conjunction with the financial statements included elsewhere in this Listing Statement and with the information set forth under "*Summary of Financial Information*", "*Financial Statements and Management's Discussion and Analysis*", and "*Description of Share Capital*".

The following table sets out the anticipated fully diluted share capital of the Resulting Issuer upon CSE Listing:

Designation of Security	Authorized	Amount Outstanding upon Listing
Resulting Issuer Shares held by former QNB shareholders. ⁽¹⁾	Unlimited	8,549,992
Resulting Issuer Shares to be issued to subscribers under the Concurrent Subscription Receipt Financing	Unlimited	10,000,000
Resulting Issuer Shares to be issued to ReSolve Shareholders as of the Closing Date	Unlimited	18,000,000
Total Resulting Issuer Shares Outstanding on a Non-Fully Diluted Basis		36,549,992
Resulting Issuer Warrants (each warrant entitles its holder to purchase one additional common share at an exercise price of \$0.375 per share, expiring on May 2026)	N/A	2,040,000
Resulting Issuer Broker Compensation Warrants (each warrant entitles its holder to purchase one additional common share at an exercise price of \$0.375 per share, expiring on May 2026)	N/A	62,000

Designation of Security	Authorized	Amount Outstanding upon Listing
Resulting Issuer Broker Compensation Warrants (each warrant entitles its holder to purchase one additional common share at an exercise price of \$0.70 per share, expiring on May 2026)	N/A	10,000
Resulting Issuer Warrants (each warrant entitles its holder to purchase one additional common share at an exercise price of \$2.00 per share, expiring on October 2025)	N/A	170,000
Options (Grant date of March 23, 2023; exercise price of \$0.50; and expiring on March 23, 2028)	N/A	40,000
Options (Grant date of September 30, 2024; exercise price of \$0.375; and expiring on September 29, 2029)	N/A	200,000
Options (Grant date of November 7, 2024; exercise price of \$0.40; and expiring on November 6, 2029)	N/A	130,000
Options (Grant date of December 5, 2024; exercise price of \$0.40; and expiring on December 5, 2029)	N/A	100,000
Options (Grant date of April 1, 2025; exercise price of \$0.25; and expiring on March 31, 2030)	N/A	40,000
Total Resulting Issuer Shares Outstanding on a Fully Diluted Basis		39,341,992

(1) After giving effect to the cancellation of the 4,000,000 QNB Shares on a pre-Consolidation basis currently owned by ReSolve.

Upon closing of the Transaction, it is anticipated that the Resulting Issuer will have 36,549,992 Resulting Issuer Shares issued and outstanding, 2,282,000 Resulting Issuer Warrants (which includes 72,000 Resulting Issuer Broker Compensation Warrants) and 510,000 Resulting Issuer Options issued and outstanding.

QNB is in the process of completing its Concurrent Financing for minimum gross proceeds of \$2,500,000 through the issuance of 10,000,000 Subscription Receipts. Each Subscription Receipt will convert into one (1) QNB Share post-Consolidation at a deemed price of \$0.25 per QNB Share.

Public Float and Distribution Tables

Issued Capital	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	36,549,992	39,341,992	100%	100%
Number of issued securities that are pooled, escrowed or non-transferable, and the number of issued securities of the class beneficially owned, or over which control or direction is exercised by: (a) the Listed Issuer; (b) every senior officer or director of the Listed Issuer; and (c) every Principal Security Holder of the Listed Issuer (B)	14,149,801	14,149,801	38.71%	35.97%

Issued Capital	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non- diluted)	% of Issued (fully diluted)
Total Public Float (A-B)	22,400,191	25,192,191	61.29%	64.03%
<u>Freely-Tradeable Float</u>				
Number of issued securities subject to restrictions on resale or transfer, including restrictions imposed by pooling or other arrangements or in a shareholder agreement (C)	10,000,000	10,000,000	27.36%	25.42%
Total Tradeable Float (A- C)	26,549,992	29,341,992	72.64%	74.58%

Public Securityholders (Registered)

Common Shares

Size of Holding	Number of holders	Total number of securities
1 — 99 securities	3	36
100 — 499 securities	3	562
500 — 999 securities	1	586
1,000 — 1,999 securities	1	1,681
2,000 — 2,999 securities	-	-
3,000— 3,999 securities	2	6,970
4,000 — 4,999 securities	-	-
5,000 or more securities	36	10,215,190
Total	46	10,225,025
Resulting Issuer Shares to be issued to subscribers under the Concurrent Subscription Receipt Financing	-	10,000,000
Unable to confirm	-	1,899,659

Public Securityholders (Beneficial)

Common Shares

Size of Holding	Number of holders	Total number of securities
1 — 99 securities	199	5,263
100 — 499 securities	56	12,308
500 — 999 securities	15	10,838
1,000 — 1,999 securities	11	14,730
2,000 — 2,999 securities	7	16,923
3,000— 3,999 securities	7	23,116
4,000 — 4,999 securities	4	16,311
5,000 or more securities	73	4,201,912
Total	372	4,301,401

Non-Public Securityholders

Common Shares

Size of Holding	Number of holders	Total number of securities
1 — 99 securities	-	-
100 — 499 securities	-	-
500 — 999 securities	-	-
1,000 — 1,999 securities	-	-
2,000 — 2,999 securities	-	-
3,000— 3,999 securities	-	-
4,000 — 4,999 securities	-	-
5,000 or more securities	10	14,149,801
Total	10	14,149,801

Section 11: Options to Purchase Securities

The Resulting Issuer will adopt QNB’s rolling stock omnibus incentive plan, to be approved by the Shareholders at the Meeting (see Appendix “D” to the Information Circular for a copy of the Plan). Under the Plan, the maximum number of Resulting Issuer Shares that may be issued pursuant to Resulting Issuer Options under the Plan shall not exceed 10% of the number of Resulting Issuer Shares issued and outstanding on the date of grant. Capitalized terms used under this Section 11 and not otherwise defined have the meaning ascribed to them in the Plan.

The aggregate number of Options granted to any one person (including companies wholly-owned by that person) in a 12-month period must not exceed 5% of the issued and outstanding Shares on the particular Grant Date. The aggregate number of options granted to any one Consultant in a 12-month period must not exceed 2% of the issued and outstanding Shares on the particular Grant Date. The aggregate number of options granted to all persons retained to provide investor relations services to QNB (including Consultants and Employees or Executives whose role and duties

primarily consist of providing investor relations services) must not exceed 2% of the issued and outstanding Shares in any 12-month period, calculated at the Grant Date.

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option.

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee, provided that it is not less than the market price less the allowable discount as set out in the policies of the CSE or such other minimum price as is permitted by the CSE in accordance with the policies in effect at the time of the grant, or, if the Shares are not on the CSE, then such other exchange or quotation system on which the Shares are listed or quoted for trading. The Exercise Price of Options granted shall be set out in the Option Certificate issued in respect of the Option and may not be decreased without disinterested shareholder approval at the time of the proposed amendment.

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time. The Expiry Date of an Option shall be the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate or, if no such date is set out in for the Option Certificate the applicable circumstances, the date established, if applicable, in paragraphs (a) to (d) below or sections 6.2, 6.3, 6.4 or 11.4 of the Plan:

- (a) on the date the Option Holder ceases to be eligible to hold the option (the “**Cessation Date**”), if the Cessation Date is as a result of dismissal for cause;
- (b) one year from the date of death or disability, if the Cessation Date is as a result of death or disability;
- (c) on such other date as fixed by the Committee, provided that the date is no more than six months from the Cessation Date, if the Cessation Date is as a result of a reason other than death, disability or cause; or
- (d) 30 days from the Cessation Date, if the Option Holder was engaged in investor relations activities.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of the Plan. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

The Board may at any time appoint a Committee, consisting of not less than two of its members, to administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with the Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan.

Section 12: Prior Sales

The following table summarizes issuances of QNB Shares, ReSolve Shares, or securities convertible into QNB Shares or ReSolve Shares, during the twelve (12) month period preceding the date of this Listing Statement.

Effective Date of Issuance	Type of Security	Number of Securities Issued	Issue Price per Security (\$)
<u>QNB Metals Inc.</u>			
January 16, 2025	Common Shares	4,000,000	0.10
November 29, 2024	Common Shares	10,200,000	0.05
November 29, 2024	Purchase Warrants	10,200,000	0.075
November 29, 2024	Broker compensation warrants	310,000	0.075
November 29, 2024	Broker compensation warrants	50,000	0.14
September 30, 2024	Common Shares	6,100,000	0.05
April 2025	Stock options	200,000	0.05
December 2024	Stock options	500,000	0.08
September 2024	Stock options	650,000	0.08
September 2024	Stock options	1,600,000	0.075
<u>ReSolve Energy Inc.</u>			
February 28, 2025	Common Shares	250,000	0.35

Section 13: Historical Trading Price

QNB Shares are currently traded on the CSE under the symbol “TIM.X”. Trading of QNB Shares was halted on July 7, 2025 upon the announcement of the Transaction. Upon completion of the Transaction, it is anticipated that the Resulting Issuer Shares will continue to be listed on the CSE under the symbol “RES”.

There are no ReSolve Shares or securities of ReSolve listed on any stock exchange.

The following table sets out the price ranges and volume traded of QNB Shares on the CSE during the periods indicated:

Period	Trading Price High (\$)	Trading Price Low (\$)	Volume
June 2025	0.055	0.03	2,020,716
May 2025	0.055	0.03	4,640,338
April 2025	0.080	0.04	3,435,903
March 2025	0.085	0.035	2,702,323
February 2025	0.095	0.04	3,162,121
January 2025	0.14	0.06	1,773,813
December 2024	0.15	0.07	1,039,830
November 2024	0.21	0.07	1,467,980
October 2024	0.10	0.03	828,291
September 2024	0.15	0.015	1,380,005
August 2024	0.02	0.015	120,205
July 2024	0.02	0.015	35,250

Trading of QNB Shares was halted prior to market open on July 7, 2025, pending the announcement of the Transaction.

Section 14: Escrowed Securities and Securities Subject to Restrictions on Transfer

Voluntary escrow arrangement

In connection with the Transaction, certain securityholders of the Resulting Issuer have agreed to a voluntary escrow arrangement (the “**Escrowed Securityholder**”).

The Escrowed Securityholders collectively hold an aggregate of 9,508,170 common shares of the Resulting Issuer, representing approximately 26.01 % of the issued and outstanding common shares upon completion of the Transaction (the “**Escrowed Securities**”).

Each Escrow Securityholder has agreed not to, directly or indirectly, sell, assign, transfer, pledge, encumber or otherwise dispose of, or agree to dispose of, any of their locked-up securities for a period of 36 months from the date of closing of the Transaction, except with the prior written consent of the Resulting Issuer.

The Resulting Issuer’s board of directors retains the authority to approve discretionary releases of Escrowed Securities, in whole or in part at any time, where it determines such release to be in the best interests of the Resulting Issuer. The Resulting Issuer is under no obligation to approve any request for an early release of Escrowed Securities and may exercise its discretion to approve or deny any such request.

The DRS certificates for such Escrowed Shares shall bear the following legend:

THE SECURITIES REPRESENTED HEREBY SHALL NOT BE OFFERED, SOLD, TRANSFERRED, PLEDGED, HYPOTHECATED OR OTHERWISE TRADED BEFORE THE CORPORATION HAS AUTHORIZED THE REMOVAL OF THIS LEGEND.

The Escrowed Securities shall maintain full voting and dividend rights, with or without the trading restriction, and shall become freely tradeable only upon Resulting Issuer’s approval to remove such legend.

The voluntary escrow arrangement was put in place to promote an orderly market in the securities of the Resulting Issuer following completion of the Transaction and to align the interests of the Escrow Securityholders with the long-term growth objectives of the Resulting Issuer, as follows:

Name of the Securityholder/beneficial owner	Designation of Securities	Number of Securities to be held not subject to voluntary escrow ⁽¹⁾	Number of Securities to be held subject to voluntary escrow arrangement ⁽¹⁾	% of class at the date of Listing Statement ⁽²⁾	% of Resulting Issuer securities as at the date of Listing Statement on a fully-diluted basis ⁽³⁾
André Proulx and 9274-2162 Québec Inc. ⁽⁴⁾	Resulting Issuer Shares	5,666,984	3,983,687	10.90%	10.13%

⁽¹⁾ Anticipated to be issued upon completion of the Transaction.

⁽²⁾ Percentage calculated based of an anticipated total of 36,549,992 Resulting Issuer Shares and an anticipated total of 510,000 Resulting Issuer Options issued and outstanding on a non-fully diluted basis upon completion of the Transaction.

⁽³⁾ Percentage calculated based of an anticipated total of 39,341,992 Resulting Issuer Shares issued and outstanding on a fully diluted basis upon completion of the Transaction.

⁽⁴⁾ 9274-2162 Québec Inc. is a corporation controlled by André Proulx.

Additional voluntary escrow was put in place to further promote an orderly market in the securities of the Resulting Issuer following completion of the Transaction and to align the interests of the Escrow Securityholders with the long-term growth objectives of the Resulting Issuer, as follows:

Name of the Securityholder/beneficial owner	Designation of Securities	Number of Securities to be held not subject to voluntary escrow ⁽¹⁾	Number of Securities to be held subject to voluntary escrow ⁽¹⁾	% of class at the date of Listing Statement ⁽²⁾	% of Resulting Issuer securities as at the date of Listing Statement on a fully-diluted basis ⁽³⁾
9259-1601 Quebec Inc. (c/o Martin Fredette)	Resulting Issuer Shares	-	2,424,913	6.63%	6.16%
Suzanne Piché	Resulting Issuer Shares	-	2,119,718	5.80%	5.39%
TRANSFERTECH SSH S.E.C. ⁽⁴⁾	Resulting Issuer Shares	-	614,235	1.68%	1.56%
Dimitrios Liakopoulos	Resulting Issuer Shares	200,000	365,616	1.55%	1.44%

⁽¹⁾ Anticipated to be issued upon completion of the Transaction.

⁽²⁾ Percentage calculated based of an anticipated total of 36,549,992 Resulting Issuer Shares and an anticipated total of 510,000 Resulting Issuer Options issued and outstanding on a non-fully diluted basis upon completion of the Transaction.

⁽³⁾ Percentage calculated based of an anticipated total of 39,341,992 Resulting Issuer Shares issued and outstanding on a fully diluted basis upon completion of the Transaction.

⁽⁴⁾ TRANSFERTECH SSH S.E.C. is a research institution affiliated with the University of Sherbrooke

Escrow

Upon the Closing of the Transaction, certain of the Resulting Issuer Shares held by the new directors and officers of the Resulting Issuer Shares will be subject to escrow (the “**Escrow**”) that prohibits transfer for up to a three-year period following the Listing pursuant to the policies of the CSE and Form 46-201 Escrow Agreement. In the event that the Resulting Issuer Shares become listed on the CSE, the Resulting Issuer anticipates that it will be classified as an “emerging issuer”, as defined under NP 46-201 upon such listing. Each of the persons named below (collectively, the “**Escrow Holders**”) would fall within the definition of “principal” of an emerging issuer under NP 46-201. Escrow releases will be scheduled at periods specified in NP 46-201 for emerging issuers, that is, 10% will be released upon completion of the Transaction followed by six subsequent releases of 15% every six months thereafter. The form of the escrow agreement must be as provided in NP 46-201. In accordance with applicable securities rules, the Escrow Holders will execute an escrow agreement with the Resulting Issuer and the Escrow Agent substantially in the form attached as an Appendix to NP 46-201 (Form 46-201F1) (the “**CSE Escrow Agreement**”) in respect of an aggregate of 1,796,205 Resulting Issuer Shares prior to the filing of a final Listing Statement and the Listing (collectively, the “**CSE Escrow Securities**”).

Securities of the Resulting Issuer held, directly and/or beneficially, by the following persons will be subject to voluntary escrow as part of the Transaction, pursuant to the CSE Escrow Agreement:

Name of the Securityholder/beneficial owner	Designation of Securities	Number of Securities to be held in escrow ⁽¹⁾	% of class at the date of Listing Statement ⁽²⁾	% of Resulting Issuer securities as at the date of Listing Statement
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				on a fully-diluted basis) ⁽³⁾
Frank Dumas ⁽⁴⁾	Resulting Issuer Shares	467,218	1.28%	1.19%
Isabelle Proulx ⁽⁴⁾	Resulting Issuer Shares	81,248	0.22%	0.21%
Bernard Granger ⁽⁴⁾	Resulting Issuer Shares	243,744	0.67%	0.62%
Xavier Duret ⁽⁴⁾	Resulting Issuer Shares	638,378	1.75%	1.62%

⁽¹⁾ Anticipated to be issued upon completion of the Transaction.

⁽²⁾ Percentage calculated based of an anticipated total of 36,549,992 Resulting Issuer Shares and an anticipated total of 510,000 Resulting Issuer Options issued and outstanding on a non-fully diluted basis upon completion of the Transaction.

⁽³⁾ Percentage calculated based of an anticipated total of 39,341,992 Resulting Issuer Shares issued and outstanding on a fully diluted basis upon completion of the Transaction.

⁽⁴⁾ Shareholders in the above table are expected to be involved in some management capacity of the Resulting Issuer.

The CSE Escrow Agreement provides that the CSE Escrow Securities are held in escrow pursuant to its terms and the beneficial ownership thereof may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with other than in accordance with the terms of the CSE Escrow Agreement. In the event of the bankruptcy of an escrow shareholder, in accordance with the CSE Escrow Agreement, the CSE Escrow Securities held by such escrow shareholder may be transferred to the trustees in the bankruptcy or such person legally entitled to the CSE Escrow Securities, which shares will remain in escrow subject to the CSE Escrow Agreement. In the event of the death of an escrow shareholder, in accordance with the CSE Escrow Agreement, the CSE Escrow Securities held by the escrow shareholder will be released from escrow.

Section 15: Principal Securityholders

ReSolve

Prior to the completion of the Transaction, other than as set out below, no persons beneficially own, directly or indirectly, or exercise control or direction over shares carrying more than 10% of the voting rights attached to all outstanding ReSolve Shares.

Shareholder	Number of ReSolve Shares	% of Outstanding Common Shares⁽¹⁾
André Proulx	7,545,317	34.06%
9274-2162 Québec Inc. ⁽¹⁾	4,068,707	18.37%
9259-1601 Québec Inc ⁽²⁾	2,984,579	13.47%

⁽¹⁾ 9274-2162 Quebec Inc. is a corporation controlled by André Proulx.

⁽²⁾ 9259-1601 Quebec Inc. is a corporation controlled by Martin Fredette.

Resulting Issuer

To the knowledge of the proposed Resulting Issuer's directors and executive officers upon completion of the Transaction, the following persons beneficially will own or exercise, directly or indirectly, control or have discretion over 10% or more Resulting Issuer upon Listing:

Name of the Securityholder/beneficial owner	Designation of Securities	Number of Resulting Issuer Securities ⁽¹⁾	% of Resulting Issuer Shares at the date of Listing	% of Resulting Issuer securities as at the date of Listing Statement
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			Statement on a non-fully diluted basis ⁽²⁾	on a fully-diluted basis ⁽³⁾
André Proulx and 9274-2162 Québec Inc.	Resulting Issuer Shares	9,650,671	26.40%	24.53%

(1) Anticipated to be issued upon completion of the Transaction.

(2) Percentage calculated based of an anticipated total of 36,549,992 Resulting Issuer Shares issued and outstanding on a non-fully diluted basis upon completion of the Transaction.

(3) Percentage calculated based of an anticipated total of 39,341,992 Resulting Issuer Shares issued and outstanding on a fully diluted basis upon completion of the Transaction.

Section 16: Directors and Executive Officers

The Board of Directors will be reconstituted in conjunction with the closing of the Transaction whereas upon CSE Listing it is anticipated that the Board will consist of five (5) directors: Mario Bouchard, Mario Drolet, Michael Mansfield, Maxime Lemieux, and Andre Proulx. In addition, the constitution of the Resulting Issuer's senior management is anticipated to include: Ian C. Peres as President and Chief Executive Officer and Byron D'Silva as Chief Financial Officer and Corporate Secretary.

The following table sets out, for each of the Resulting Issuer's anticipated directors and executive officers upon completion of the Transaction, the person's name, Province or State and country of residence, position with the Resulting Issuer upon completion of the Transaction, principal occupation, age and, if a director, the date on which the person became a director. Directors are expected to hold office until the next annual general meeting of shareholders and are elected annually and, unless re-elected, retire from office at the end of the next annual general meeting of shareholders. As a group, the directors and executive officers will beneficially own, or control or direct, directly or indirectly, a total of 11,353,596 Resulting Issuer Shares, representing approximately 31.06% of the Resulting Issuer Shares on a non-fully diluted basis outstanding upon Listing.

Name and Province or State and Country of Residence	Age	Proposed Position with the Resulting Issuer	Director of Resulting Issuer Since	Principal Occupations for the Last Five Years	Number of Resulting Issuer Securities and Percentage of Resulting Issuer Shares ⁽²⁾
Ian C. Peres, CPA, CA <i>Toronto, ON</i>	56	President, Chief Executive Officer	N/A	President & CEO of QNB	1,300,000 shares (3.56%)
Byron D'Silva, CPA, CA <i>Burlington, ON</i>	55	Chief Financial Officer	N/A	Senior Director, Royal Bank of Canada	200,000 shares (0.55%)
Mario Bouchard, BA Economics <i>Beaupre, QC</i>	69	Director	November 7, 2023	Director	180,000 shares (0.49%)
Mario Drolet ⁽¹⁾ <i>Montreal, QC</i>	62	Director	November 4, 2024	President MI3 Communications Financières Inc.	Nil
Maxime Lemieux, LLB <i>Montreal, QC</i>	47	Director	April 30, 2021	Partner, McMillan LLP	22,925 shares (0.06%)
Michael Mansfield, CPA, CA ⁽¹⁾ <i>Calgary, AB</i>	61	Director	March 30, 2025	Broker, Industrial Alliance Group	Nil

Name and Province or State and Country of Residence	Age	Proposed Position with the Resulting Issuer	Director of Resulting Issuer Since	Principal Occupations for the Last Five Years	Number of Resulting Issuer Securities and Percentage of Resulting Issuer Shares ⁽²⁾
Andre Proulx, PhD <i>Rimouski, QC</i>	76	Director	To be appointed as of the Closing Date	President of ReSolve	9,650,671 shares ⁽³⁾ (26.40%)

(1) Proposed member of Audit Committee.

(2) Percentage calculated based of an anticipated total of 36,549,992 Resulting Issuer Shares issued and outstanding on a non-fully diluted basis upon completion of the Transaction.

(3) Including Resulting Issuer Shares to be held by 9274-2162 Québec Inc., a corporation controlled by André Proulx.

Biographies of Directors and Executive Officers

The following are brief profiles of the anticipated Resulting Issuer's executive officers and directors, including a description of each individual's principal occupation within the past five years. Each of the President & CEO and Chief Financial Officer expect to contribute up to 100% of their time to the operations of the Resulting Issuer under respective management consulting agreements which include non-compete and non-disclosure provisions. Directors expect to attend a minimum of four (4) quarterly board meetings per year plus periodically attend meetings of the sub committees of the Board.

Ian C. Peres, CPA, CA – President & CEO, of the Resulting Issuer

Mr. Peres is a Chartered Professional Accountant (CA) formerly with Deloitte, with over 30 years of capital markets experience in executive and board level positions across several public companies having raised over \$500 million in various financings. He is the founder and former CFO and Director of Energy Fuels (UUUU: EFR), now a mid tier uranium producer in the US Midwest. Mr. Peres most recently ran Moneta Gold (TSE: ME), now Stllar Gold (TSE: STLR), as President & CEO and Director for 13 years where the NI 43-101 gold resource inventory was increased to over 9 million ounces of gold (from 142,000 ounces) in the world class gold mining camp in Timmins, Ontario.

Byron D'Silva, CPA, CA – Chief Financial Officer of the Resulting Issuer

Mr. D'Silva is a Chartered Professional Accountant with more than 25 years of experience across financial reporting, internal and external audit, and risk management, known for his strategic insight and ability to lead in complex, fast-evolving environments. Mr. D'Silva spent a decade at KPMG, where he developed expertise in assurance and advisory services, laying the foundation for a career defined by both technical excellence and leadership. He most recently held the role of Senior Director at Royal Bank of Canada, over a tenure of 15 years, across regulatory integration, compliance, and operational risk management including executing enterprise-wide initiatives, driving alignment between regulatory expectations and business objectives, and strengthening sustainable growth through effective governance.

Mario Bouchard, BA Economics – Director

Mr. Bouchard holds a bachelor's degree in economics and a diploma in administration and was previously assistant deputy minister for strategic industries and major economic projects at the Ministry of Economy and Innovation for fifteen years. He held the position of Associate Deputy Minister of Energy for four years at the Ministry of Natural Resources. Mr. Bouchard also worked at the Ministry of Finance, notably as assistant deputy minister responsible for state corporations and economic projects. Mr. Bouchard has been a member of prominent board of directors including Investissement Québec and La Financière Agricole. Mr. Bouchard has piloted several government strategies aimed at supporting Quebec development in a variety of industries including aerospace, health, information technology, transportation and aluminum. During his highly decorated career, Mr. Bouchard was heavily involved in major projects involving government funding and the creation of state corporations and privatizations. In particular, he managed a billion-dollar investment fund intended primarily for the mining sector thereby financing numerous mining projects in Quebec.

Mario Drolet – Director

Mr. Drolet is a seasoned finance professional with over 30 years of expertise across capital markets and investor relations globally. As the founder and President of MI3 Financial Communications Inc., Mr. Drolet combines entrepreneurial insight with a profound understanding of financial dynamics in the mining industry. He has a track record of fostering growth for small to medium sized public companies by enhancing visibility, attracting investors, and facilitating capital-raising initiatives. Mr. Drolet's dedication to excellence, combined with his experience and collaborative approach, well positions him as a valuable asset on the Board of Directors.

Michael Mansfield, CPA, CA – Director

Mr. Mansfield has over 20 years of experience as a financial and corporate strategy advisor with experience structuring and completing numerous public shells, reclamations, private financings and public financings. Mr. Mansfield was most recently a Vice-President and investment advisor with Industrial Alliance Securities Ltd. Mr. Mansfield graduated from the University of Calgary in 1989, articulated with big four audit firm KPMG, obtained his Chartered Accountant (CA) designation in 1993 and Chartered Financial Analyst (CFA) designation in 1998.

Maxime Lemieux, LLB – Director

Maxime Lemieux is a skilled capital markets and securities lawyer with a broad practice focused on securities, corporate finance, and mergers and acquisition. He works with clients in the mining industry, as well as emerging companies such as information technology and renewable energy startups. Representing both issuers and investment dealers, Maxime advises on private and public debt and equity offerings. He has also acted as lead counsel in private and public M&A transactions and corporate reorganizations as well as reverse takeovers, exempt takeover bids and proxy contests. Mr. Lemieux provides advice to private and public companies on their ongoing corporate and securities law obligations. He also acts for junior issuers in connection with initial public offerings, follow-on offerings, and listings on the TSX Venture Exchange, the Canadian Securities Exchange and the over-the-counter (OTC) markets.

Andre Proulx, PhD - Director

Mr. Proulx is the President of ReSolve Energie Inc. and is the founder of Petrolia Inc. where he led discovery of three distinct oil deposits in Anticosti and Gaspé Peninsula and negotiated two partnerships with European oil companies. He is also founder and director of several mining companies on the TSXV such as Stelmine Canada, having raised significant international equity. Mr. Proulx is a past winner of Hector Authier Award and the Petroleum Entrepreneurship Award.

Cease Trade Orders and Bankruptcies

Except as disclosed below, none of the proposed Resulting Issuer directors or executive officers have, within the ten years prior to the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, action or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets, been a director or executive officer of any company, 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, action or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets.

Name	Name of Reporting Issuer	Name of Exchange	Date	Type of Order	Reason for Order
Mario Drolet	Leopard Lake Gold Corp. Director	CSE	June 13, 2025	Failure to File Cease Trade Order (FFCTO) (In place as of the date of this document)	Late filing of annual financial statements
	Mi3 Inc. (private company) President	n/a	December 2019	Consumer debtors' proposal	n/a

Andre Proulx	Stelmine Canada Ltd.	TSX-V	December 4, 2024	Failure to File Cease Trade Order (FFCTO) (In place as of the date of this document)	Late filing of annual financial statements
	Ressources Appalaches	TSX-V	January 2015	Delisting: Receivership	n/a

Penalties or Sanctions

None of the proposed Resulting Issuer’s directors or executive officers or shareholders holding sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer has been:

- i. 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
- ii. subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Conflicts of Interest

To the best of the QNB’s and ReSolve’s knowledge, there are no known existing or potential conflicts of interest among the Resulting Issuer and its proposed directors, officers, or other members of management as a result of their outside business interests except that certain of the proposed directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Resulting Issuer and their duties as a director or officer of such other companies.

Section 17: Corporate Governance

Corporate governance relates to the activities of the Board of Directors, 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 Board and will be charged with the day-to-day management of the Resulting Issuer upon completion of the Transaction. The Board will be committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision-making.

The Resulting Issuer’s anticipated corporate governance practices are summarized below.

Board of Directors

Under NI 58-101 *Disclosure of Corporate Governance Practices*, a director is considered to be independent if he or she is independent within the meaning of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). Pursuant to NI 52-110, an independent director is a director who is free from any direct or indirect relationship which could, in the view of the Board, be reasonably expected to interfere with a director’s independent judgment. Based on information provided by each director concerning his or her background, employment and affiliations, the Board has determined that of the five (5) directors on the Board upon Listing, one (1) director, Ian C. Peres as President and Chief Executive Officer, will not be considered independent as a result of its relationship with the Resulting Issuer. The Board has not adopted a director interlock policy, but is keeping itself informed of other public directorships held by its members, if applicable.

Directorships

Except as disclosed below, none of the proposed directors of the Resulting Issuer are currently serving on boards of other reporting companies (or equivalent).

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position	Since
Mario Bouchard, BA Economics	Lucky Minerals Inc.	TSXV	Director	June 13, 2025
Mario Drolet	Leopard Lake Gold Corp.	CSE	Director	September 13, 2024
	Windfall Geotek Inc.	TSXV	Director	March 1, 2025
Maxime Lemieux, LLB	Consolidated Lithium Metals Inc.	TSXV	Director	July 9, 2014
	GobiMin Inc.	TSXV	Director	July 11, 2016
	Kintavar Exploration Inc.	TSXV	Director	March 24, 2017
	Canadian Metals Inc.	CSE	Director	July 27, 2021
	Upstart Investments Inc.	TSXV	Director	March 29, 2023
Michael Mansfield, CPA, CA	Baselode Energy Corp	OTC	Director	January 29, 2018
	Metal Energy Corp.	TSXV	Director	January 30, 2018
	Mistango River Resources Inc.	CSE	Director	October 18, 2023
	American Eagle Gold	TSXV	Director	September 20, 2023
	XXIX Metal Corp.	TSXV	Director	December 20, 2024

Orientation and Continuing Education

The CEO and/or the CFO are responsible for providing an orientation for new directors. Director orientation and ongoing training includes presentations by senior management to familiarize directors with the Resulting Issuer's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its principal officers and its internal and independent auditors. On occasions where it is considered advisable, the Board provides individual directors with information regarding topics of general interest, such as fiduciary duties and continuous disclosure obligations. The Board ensures that each director is up to date with current information regarding the business of the Resulting Issuer, the role the director is expected to fulfill and basic procedures and operations of the Board. The Board members are given access to management and other employees and advisors, who can answer any questions that may arise. Regular technical presentations are made to the directors to keep them informed of the Resulting Issuer's operations.

Ethical Business Conduct

- a) The Board will be adopting a formal written code of ethics (the “Code”) for the proposed directors, officers, employees and consultants of the Resulting Issuer. All new employees will read the Code when hired and acknowledge that they will abide by the Code.
- b) The Board will be responsible for monitoring compliance with the Code. The Code will require directors, officers, employees and consultants of the Resulting Issuer to raise questions regarding the application of any requirement under the Code, and report a possible violation of a law or the Code, promptly to their superior or manager. If reporting a concern or complaint to a superior or manager will not be possible or advisable, or if reporting it to such person will not resolve the matter, the matter should be addressed with the CFO of the Resulting Issuer.
- c) The Board will monitor compliance with the Code by, among other things, obtaining reports from the CEO regarding breaches of the Code. The Board will also review investigations and any resolutions of complaints received under the Code. In addition, the Board will approve changes to the Code it considers appropriate, at least annually.
- d) The Board will take steps to ensure that directors, officers and other employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer or other employee of the Corporation may have a material interest, which include ensuring that directors, officers and other employees will be thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from their superior or manager or the CFO regarding any potential conflicts of interest.
- e) The Board will encourage and promote an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to directors, officers and other employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

Director Compensation

There are no current plans for the Resulting Issuer to pay any cash compensation to the proposed directors for services rendered in their capacity as directors. This matter however, will be reconsidered by the Board upon completion of the Listing.

It is also expected that the Resulting Issuer will grant Awards to the proposed directors in recognition of the time and effort that such directors devote to the Resulting Issuer. The timing, amounts, exercise price of these future option based and share based awards are not yet determined.

Other Board Committees

Other than the Audit Committee, the Board currently has no other committees.

Section 18: Audit Committee

The Audit Committee will meet with the proposed CEO and CFO of the Resulting Issuer and the independent auditors to review and inquire into matters affecting financial reporting matters, the system of internal accounting and financial controls and procedures, and the audit procedures and audit plans. The Audit Committee will recommend to the Board the independent registered public accounting firm to be appointed. In addition, the Audit Committee will review and recommend to the Board for approval the annual financial statements, the annual report and certain other documents required by regulatory authorities.

The Board has not developed a written position description for the chairman of the Audit Committee but considers the chairman to be responsible for setting the tone for the committee work, ensuring that members have the information needed to do their jobs, overseeing the logistics of the Audit Committee’s operations, reporting to the Board on the

Audit Committee's decisions and recommendations, setting the agenda and running and maintaining minutes of the meetings of the Audit Committee.

The Audit Committee's Charter

The Resulting Issuer will adopt QNB's Audit Committee Charter, a copy of which was attached as Appendix "A" to the Information Circular.

Composition of the Audit Committee

The Audit Committee will be composed of the following members:

Name	Independent ⁽¹⁾	Financially Literate
Michael Mansfield (Chairman)	Yes	Yes
Mario Drolet	Yes	Yes
Maxime Lemieux	Yes	Yes

⁽¹⁾ Independent within the meaning of NI 52-110.

Relevant Education and Experience

All proposed members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance 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 the Corporation's financial statements, and have an understanding of internal controls. All proposed members of the Audit Committee intend to maintain their currency by periodically taking continuing education courses.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemptions provided for in subsections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) of NI 52-110 or an exemption from NI 52-110, in whole or in part, granted pursuant to Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee Charter sets out responsibilities regarding the provision of non-audit services by the Resulting Issuer's external auditors. The Audit Committee will be responsible for the pre-approval of all audit services and permissible non-audit services to be provided to the Resulting Issuer by the external auditors, subject to any exceptions provided in NI 52-110.

Details of the composition and function of the remaining standing committees to be formed following the Listing will be discussed at the first meeting of the directors following the Listing.

External Auditor Service Fee

For the period ended April 30, 2025 ("Fiscal 2025") and for the year ended April 30, 2024 ("Fiscal 2024"), the Corporation and ReSolve, respectively, incurred the following fees by its external auditor, MNP LLP.

	Fiscal 2025 Incurred by ReSolve (\$)	Fiscal 2024 Incurred by QNB (\$)
Audit fees ⁽¹⁾	\$55,000	\$36,750
Audit related fees ⁽²⁾	-	-
Tax fees ⁽³⁾	-	-
All other fees ⁽⁴⁾	\$2,100	\$2,572
Total fees paid	\$57,100	\$39,322

(1) Fees for audit service on an accrual basis.

(2) Fees for assurance and related services not included in audit service above.

(3) Fees for tax compliance, tax advice and tax planning.

(4) All other fees not included above.

Section 19: Executive Compensation

The following discussion describes the significant elements of the compensation of the proposed Named Executive officers of the Resulting Issuer (collectively, the "named executive officers" or "NEOs").

"Named executive officers" or "NEOs" means each of the following individuals: (i) each CEO; (ii) each CFO; (iii) the most highly compensated executive officer other than CEO and CFO at the end of the most recently completed financial year whose total compensation was more than \$150,000; and (iv) each individual who would be a named executive officer under (iii) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

The following will be the NEOs of the Resulting Issuer: Ian C. Peres, President and Chief Executive Officer, and Byron D'Silva, Chief Financial Officer.

As of the date of the Listing Statement, and other than as disclosed below, the anticipated compensation for each of the NEOs, for the 12-month period following the Listing is not known.

Compensation Objectives and Principles

The anticipated compensation program for the proposed senior management of the Resulting Issuer is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining qualified executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Resulting Issuer's shareholders.

In compensating its senior management, the Resulting Issuer will employ a combination of base salary, bonus compensation and equity participation through the Plan. The Resulting Issuer will not provide any retirement benefits for its directors or officers.

Elements of Compensation

Base Salary

It will be the Board's view, that paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Resulting Issuer operates is a first step to attracting and retaining qualified and effective executives. Competitive salary information on comparable companies within the Resulting Issuer's industries is compiled from a variety of sources, including national and international publications.

Bonus Incentive Compensation

The Board will consider executive bonus compensation dependent upon the Resulting Issuer meeting its strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses.

Equity Participation

The proposed Board believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Plan. Awards may be granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted will be determined by the Board.

Compensation Risks

The proposed Board will be keenly aware of the fact that compensation practices can have unintended risk consequences. The Board will continually review the Resulting Issuer's compensation policies to identify any practice that might encourage an employee to expose the Resulting Issuer to unacceptable risk. At the present time the proposed Board is satisfied that the anticipated executive compensation program will not encourage the executives to expose the business to inappropriate risk. The Board intends to take a conservative approach to executive compensation rewarding individuals for the success of the Resulting Issuer once that success has been demonstrated and incenting them to continue that success through the grant of long-term incentive awards.

Hedging Policy

The Resulting Issuer will have no policy on whether an officer or director is permitted to purchase certain financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds which are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the officer or director.

Compensation Process

The Resulting Issuer will not have a compensation committee or a formal compensation policy. The Resulting Issuer will rely solely on the proposed directors to determine the compensation of the NEOs. In determining compensation, the proposed directors will consider industry standards and the Resulting Issuer's financial situation, but the Resulting Issuer does not have any formal objectives or criteria. The performance of each executive officer will informally be monitored by the directors, having in mind the business strengths of the individual and the purpose of originally appointing the individual as an officer.

In establishing compensation for executive officers, the Board will seek to accomplish the following goals:

- a) To recruit and subsequently retain highly qualified executive officers by competitive offering overall compensation;
- b) To motivate executives to achieve important corporate and personal performance objectives and reward them when such objectives are met; and
- c) To align the interests of executive officers with the long-term interests of shareholders through participation in the Plan.

When considering the appropriate executive compensation to be paid to the proposed officers, the Board will have regard to a number of factors including: (i) recruiting and retaining executives critical to the success of the Resulting Issuer and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Resulting Issuer's shareholders; (iv) rewarding performance, both on an individual basis and with respect to operations generally; and (v) available financial resources.

Option-Based Awards

Long-term incentives in the form of Awards are intended to align the interests of the proposed directors and executive officers with those of the Shareholders and to provide a long-term incentive to reward those individuals for their contribution to the generation of shareholder value, while reducing the burden of cash compensation that would otherwise be payable by the Resulting Issuer.

The Plan will be administered by the Board. In determining the number of incentive Awards to be granted to the NEOs, the Board will have regard to several considerations including previous grants of Awards and the overall number of outstanding Awards relative to the number of outstanding Resulting Issuer Shares, as well as the degree of effort, time, responsibility, ability, experience and level of commitment of the executive officer. For details of the Plan, see "*Options to Purchase Securities*".

Fees for Directors

Other than as disclosed, the only transactions the Resulting Issuer is expected to have upon Listing, standard or otherwise, pursuant to which the proposed directors will be compensated for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the most recently completed financial year or subsequently, are by: (i) the issuance of incentive Awards; and (ii) reimbursement for out-of-pocket expenses incurred on behalf of the Resulting Issuer.

Summary Compensation Table

ReSolve was not a reporting issuer at any time during its most recently completed financial year. Accordingly, the following table sets forth information with respect to the anticipated compensation of each NEO and director of the Resulting Issuer once the Transaction is completed.

Table of Compensation Excluding Compensation Securities

Table of Compensation excluding Compensation Securities							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
Ian C. Peres President & Chief Executive Officer	2025	75,000	Nil	Nil	Nil	Nil	75,000
Byron D'Silva Chief Financial Officer	2025	-	Nil	Nil	Nil	Nil	-
Mario Bouchard Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
Mario Drolet Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
Michael Mansfield Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
Maxime Lemieux Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
Andre Proulx Director	2025	Nil	Nil	Nil	Nil	Nil	Nil

Equity Compensation Plan Information

The following table sets out equity compensation plan information of QNB as at the April 30, 2025 fiscal year end:

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)), prior to completion of the Transaction
Equity Compensation Plans of the Corporation approved by the shareholders	-	-	-
Equity Compensation Plans of the Corporation not approved by the shareholders	2,550,000	\$0.08	2,124,996
Total:	2,550,000	\$0.08	2,124,996

The Resulting Issuer does not currently intend to issue any options upon the Closing of the Transaction.

Employment, Consulting and Management Agreements

QNB entered into a consulting agreement with Mr. Peres, in his capacity as President and CEO, dated October 31, 2024, pursuant to which the Corporation pays Mr. Peres a monthly fee of \$15,000 per month. Mr. Peres is entitled to non-equity incentive plan compensation in the form of annual and special success cash bonuses based on the achievement of certain performance goals, and long-term incentives in the form of option-based awards granted pursuant to the Corporation's stock option plan.

For details on agreements as it relates to QNB, see *Information Circular – "Employment, Consulting and Management Agreements."*

Pension Plan Benefits

The Resulting Issuer does not anticipate having any pension plan that provide for payments or benefits at, following or in connection with retirement.

Corporate Bankruptcies

Other than as stated herein, none of the proposed directors or executive officers of the Resulting Issuer has, within the ten years prior to the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, action or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets, been a director or executive officer of any company, 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, action or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets.

Oversight and Description of Director and CSE Compensation

The formal policies or practices of the Resulting Issuer to determine the compensation for the proposed directors and executive officers are not known. It is anticipated that following the CSE Listing, the Resulting Issuer will establish such formal policies or practices.

Section 20: Indebtedness of Directors and Officers

None of the proposed Resulting Issuer's directors, executive officers, employees, former directors, former executive officers or former employees or any of its subsidiaries, and none of their respective associates, is or has within 30 days before the date of this Listing Statement or at any time since the beginning of the most recently completed financial year been indebted to the Corporation or ReSolve or any of its subsidiaries or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided us or any of our subsidiaries.

Section 21: Risk Factors

Description of Risk Factors

The following are certain risk factors relating to the business carried on by ReSolve and QNB, which are to become the Resulting Issuer's businesses, and which prospective investors should carefully consider before deciding whether to purchase Resulting Issuer Shares. The Resulting Issuer will face a number of challenges in the development of its technology, operations, and in growing and building its client base. Due to the nature of the Resulting Issuer, the Resulting Issuer's business and present stage of the business, the Resulting Issuer may be subject to significant risks. Readers should carefully consider all such risks, including those set out in the discussion below.

Regulatory Compliance Risks

Achievement of the Resulting Issuer's business objectives is contingent, in part, upon compliance with regulatory requirements enacted by governmental authorities and obtaining all regulatory approvals, where necessary. The Resulting Issuer may not be able to obtain or maintain the necessary licenses, permits, quotas, authorizations or accreditations to operate its business, or may only be able to do so at great cost. The Resulting Issuer cannot predict the time required to secure all appropriate regulatory approvals for its business, or the extent of testing and documentation that may be required by local governmental authorities.

ReSolve's operations are subject to a variety of laws, regulations, and guidelines related to the development and commercialization of renewable energy technologies, the processing and handling of biomass, environmental protection, health and safety, and the conduct of industrial activities in the province of Québec and other applicable

jurisdictions. Changes to any such laws or regulatory regimes, many of which are beyond ReSolve's control, could adversely impact its business operations, financial condition, and the viability of its renewable energy projects.

Failure to comply with applicable laws, regulations, or permitting requirements may result in enforcement actions, including fines, penalties, and compliance orders issued by regulatory authorities. Such actions could require ReSolve to suspend or modify its operations, incur additional capital expenditures for corrective measures, or undertake environmental remediation.

In addition, any significant changes in regulatory frameworks, heightened enforcement activity, or unexpected interpretations of existing laws could require substantial changes to ReSolve's operations or business model. Such developments may lead to increased compliance costs, operational delays, or material liabilities, any of which could have a material adverse effect on ReSolve's business, results of operations, and financial condition.

Lack of raw materials

A shortage of raw materials from suppliers can potentially represent a risk to the Resulting Issuer's business. Although the Resulting Issuer will have several suppliers, raw materials remain essential to the operation of the Resulting Issuer's activities.

QNB and ReSolve may not satisfy all regulatory requirements or obtain the necessary approvals for completion of the Transaction on satisfactory terms or at all.

Completion of the Transaction is subject to the satisfaction of certain regulatory requirements and the receipt of all necessary regulatory approvals, the Shareholder approval of the Transaction and the approval of the CSE. There can be no certainty, nor can either party provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. The requirement to take certain actions or to agree to certain conditions to satisfy such requirements or obtain any such approvals may have a Material Adverse Effect on the business and affairs of ReSolve, or the trading price of the Resulting Issuer Shares, after completion of the Transaction. Moreover, if the Definitive Agreement is terminated, there is no assurance that the Board will be able to find another transaction to pursue.

ReSolve and QNB expect to incur significant costs associated with the Transaction.

ReSolve and QNB will collectively incur significant direct transaction costs in connection with the Transaction. Actual direct transaction costs incurred in connection with the Transaction may be higher than expected. In addition, certain of ReSolve's and QNB's costs related to the Transaction, including legal, financial advisory services, accounting, printing and mailing costs, must be paid even if the Transaction is not completed.

If the Transaction is not completed, ReSolve's future business and operations could be harmed.

If the Transaction is not completed, ReSolve and QNB may be subject to a number of additional material risks, including the following: (i) QNB may have lost other opportunities that would have otherwise been available had the Definitive Agreement not been executed; and (ii) ReSolve may be unable to obtain additional sources of financing or conclude another sale, merger or amalgamation on as favourable terms as the Transaction, in a timely manner, or at all.

Health, Safety and Environment

The Resulting Issuer's reputation could be jeopardized by a failure to maintain high quality standards for its products and services or high ethical, social and environmental standards for its activities. A failure to meet these standards or contamination could occur in the Resulting Issuer's operations and its suppliers. This could result in expensive production interruptions, and liability claims. The Resulting Issuer may be liable to its customers if the consumption of any of its products or services causes injury, illness or death. Moreover, negative publicity could be generated from false, unfounded or nominal liability claims. Any of these failures or occurrences could have a material adverse effect on the Resulting Issuer's results of operations or cash flows.

Change in Societal Expectations

There is increasing government, industry, and public scrutiny surrounding environmental sustainability and the carbon footprint of industrial operations. Expectations from regulators and stakeholders regarding responsible sourcing, emissions reduction, and sustainable energy production may lead to changes in environmental regulations that could impact the Resulting Issuer's processes, product development, and compliance obligations.

Retention and Acquisition of Skilled Personnel

The loss of any member of the Resulting Issuer's management team, could have a material adverse effect on its business and results of operations. In addition, the inability to hire or the increased costs of hiring new personnel, including members of executive management, could have a material adverse effect on the Resulting Issuer's business and operating results. The expansion of marketing and sales of its products will require the Resulting Issuer to find, hire and retain additional capable employees who can understand, explain, market and sell its products. There is intense competition for capable personnel in all of these areas and the Resulting Issuer may not be successful in attracting, training, integrating, motivating, or retaining new personnel, vendors, or subcontractors for these required functions. New employees often require significant training and, in many cases, take a significant amount of time before they achieve full productivity. As a result, the Resulting Issuer may incur significant costs to attract and retain employees, including significant expenditures related to salaries and benefits and compensation expenses issued in connection to equity awards, and may lose new employees to its competitors or other companies before it realizes the benefit of its investment in recruiting and training them.

Limited Operating History

Upon completion of the Transaction, the Resulting Issuer continued the business of ReSolve. As a result, the Resulting Issuer has a limited operating history in the renewable energy and biofuel production industry upon which its business and future prospects can be evaluated. The Resulting Issuer will be subject to the risks and uncertainties typically associated with early-stage companies, including the risk that it may not achieve its operational or commercial objectives.

To meet its future operating requirements and growth targets, the Resulting Issuer will need to successfully scale its production capacity, commercialize its products, and establish stable supply chains and offtake arrangements. Should demand for its biofuel, lignin pellets, or electricity increase, the Resulting Issuer may need to expand its operational infrastructure and workforce to manage that growth effectively. Failure to do so, or failure to achieve product acceptance among customers, partners, or end-users, could materially and adversely affect the Resulting Issuer's business, financial condition, and operating results.

Managing Growth

In order to manage growth and changes in strategy effectively, the Resulting Issuer must: (a) maintain adequate systems to meet customer demand; (b) expand sales and marketing, distribution capabilities, and administrative functions; (c) expand the skills and capabilities of its current management team; and (d) attract and retain qualified employees. While it intends to focus on managing its costs and expenses over the long term, the Resulting Issuer expects to invest its earnings and capital to support its growth, but may incur additional unexpected costs. If the Resulting Issuer incurs unexpected costs it may not be able to expand quickly enough to capitalize on potential market opportunities.

Supply Chain

Any interruption or delay in product supply, any increases in product costs, or the inability to obtain such products from alternate sources at acceptable prices and within a reasonable amount of time, would harm the Resulting Issuer's ability to provide such products to its customers on a timely basis. This could harm the Resulting Issuer's relationship with its customers, prevent it from acquiring new customers, and materially and adversely affect its business. Further, the Resulting Issuer's suppliers, service providers and distributors may elect, at any time, to breach or otherwise cease to participate in supply, service or distribution agreements, or other relationships, on which the Resulting Issuer's

operations rely. Loss of its suppliers, service providers or distributors would have a material adverse effect on the Resulting Issuer's business and operational results. Such disruption of operations could adversely affect inventory supplies and the Resulting Issuer's ability to meet product delivery deadlines.

Cybersecurity

The Resulting Issuer's operating results may be adversely affected by a breakdown of its information technology systems or a failure to develop those systems. The Resulting Issuer depends on key information systems to conduct its business, to provide information to management and to prepare financial reports.

Legal and Regulatory Proceedings

From time to time, the Resulting Issuer may be a party to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom it does business and other proceedings arising in the ordinary course of business. The Resulting Issuer will evaluate its exposure to these legal and regulatory proceedings and establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. Assessing and predicting the outcome of these matters involves substantial uncertainties. Unexpected outcomes in these legal proceedings, or changes in management's evaluations or predictions and accompanying changes in established reserves, could have an adverse impact on the Resulting Issuer's financial results.

Additional Risks Relating to Doing Business Internationally

The Resulting Issuer may be subject to risks generally associated with doing business in international markets when and if it expands into the international markets. Several factors, including legal and regulatory compliance and weakened economic conditions in any of the international jurisdictions in which the Resulting Issuer may do business could adversely affect such expansion and growth.

Additionally, if the Resulting Issuer enters into new international jurisdictions, such entries would require management attention and financial resources that would otherwise be spent on other parts of the business.

International business operations expose the Resulting Issuer to risks and expenses inherent in operating or selling products in foreign jurisdictions. In addition to the risks mentioned elsewhere, these risks and expenses could have a material adverse effect on the Resulting Issuer's business, results of operations or financial condition and include without limitation:

- adverse currency rate fluctuations;
- risks associated with complying with Laws and regulations in the countries in which the Resulting Issuer operates, and requirements to apply for and obtain licenses, permits or other approvals and the delays associated with obtaining such licenses, permits or other approvals;
- multiple, changing and often inconsistent enforcement of Laws, rules and regulations;
- the imposition of additional foreign governmental controls or regulations, new or enhanced trade restrictions or non-tariff barriers to trade, or restrictions on the activities of foreign agents, and distributors;
- increases in taxes, tariffs, customs and duties, or costs associated with compliance with import and export licensing and other compliance requirements;
- the imposition of restrictions on trade, currency conversion or the transfer of funds;
- the imposition of Canadian and/or other international sanctions against a country, company, person or entity with whom the Resulting Issuer may do business that would restrict or prohibit the Resulting Issuer's business with the sanctioned country, company, person or entity;
- Laws and business practices favoring local companies;
- political, social or economic unrest or instability;
- expropriation and nationalization and/ or renegotiation or nullification of necessary licenses, approvals, permits and contracts;
- greater risk on credit terms, longer payment cycles and difficulties in enforcing agreements and collecting receivables through certain foreign legal systems;
- difficulties in enforcing or defending intellectual property rights; and

- the effect of disruptions caused by severe weather, natural disasters, outbreak of disease or other events that make travel to a particular region less attractive or more difficult.

Governments in certain foreign jurisdictions intervene in their economies, sometimes frequently, and occasionally make significant changes in policies and regulations. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on doing business, price controls, import controls, currency remittance, income and other taxes, royalties, the repatriation of profits, foreign investment, licenses and approvals and permits.

The Resulting Issuer's international efforts may not produce desired levels of sales. Furthermore, the Resulting Issuer's experience with selling products in Canada may not be relevant or may not necessarily translate into favorable results if it sells in other international markets. If and when the Resulting Issuer enters into new markets in the future, it may experience different competitive conditions, less familiarity by customers with the Resulting Issuer's brand and/or different customer requirements. As a result, the Resulting Issuer may be less successful than expected in expanding sales to new international markets. Sales into new international markets may take longer to ramp up and reach expected sales and profit levels, or may never do so, thereby affecting the Resulting Issuer's overall growth and profitability. To build brand awareness in these new markets, the Resulting Issuer may need to make greater investments in legal compliance, advertising and promotional activity than originally planned, which could negatively impact the expected profitability of sales in those markets.

Access to Capital

The Resulting Issuer makes, and will continue to make, substantial investments and other expenditures related to acquisitions, research and development and marketing initiatives. Since its incorporation, the Resulting Issuer has financed these expenditures through offerings of its equity securities. The Resulting Issuer will have further capital requirements and other expenditures as it proceeds to expand its business or take advantage of opportunities for acquisitions or other business opportunities that may be presented to it. The Resulting Issuer may incur major unanticipated liabilities or expenses. The Resulting Issuer can provide no assurance that it will be able to obtain financing on reasonable terms or at all to meet the growth needs of its operations.

Market for Securities and Volatility of Share Price

There can be no assurance that an active trading market in the Resulting Issuer's securities will be established or sustained. The market price for the Resulting Issuer's securities could be subject to wide fluctuations. Factors such as announcements of quarterly variations in operating results and acquisition or disposition of properties, as well as market conditions in the industry, may have a significant adverse impact on the market price of the securities of the Resulting Issuer. The stock market has from time-to-time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Profitability of the Resulting Issuer

The Resulting Issuer may experience difficulties in its development process, such as capacity constraints, quality control problems or other disruptions, which would make it more difficult to generate profits. A failure by the Resulting Issuer to achieve a low-cost structure through economies of scale or improvements in processes and design could have a material adverse effect on the Resulting Issuer's business, prospectus, results of operations and financial condition.

Ongoing Costs and Obligations

The Resulting Issuer expects to incur significant ongoing costs and obligations related to its investment in infrastructure and growth and for regulatory compliance, which could have a material adverse impact on the Resulting Issuer's results of operations, financial condition and cash flows. In addition, future changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Resulting Issuer's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Resulting Issuer.

Future Acquisitions or Dispositions

Material acquisitions, dispositions and other strategic transactions involve a number of risks, including: (i) potential disruption of the Resulting Issuer's ongoing business; (ii) distraction of management; (iii) increased financial leveraged; (iv) the failure of anticipated benefits and cost savings to not materialize or take longer than expected to materialize; and (v) an increased scope and complexity of the Resulting Issuer's operations. Additionally, the Resulting Issuer may issue additional equity interests in connection with such transactions, which would dilute a shareholder's holdings in the Resulting Issuer.

The presence of one or more material liabilities of an acquired company that are unknown to the Resulting Issuer at the time of acquisition could have a material adverse effect on the business, results of operations, prospects and financial condition of the Resulting Issuer. A strategic transaction may result in a significant change in the nature of the Resulting Issuer's business, operations and strategy. In addition, the Resulting Issuer may encounter unforeseen obstacles or costs in implementing a strategic transaction or integrating any acquired business into the Resulting Issuer's operations.

Global Economic Risk

Economic slowdowns and downturns of global capital markets may make the raising of capital by equity or debt financing more difficult. Access to financing may be negatively impacted by ongoing global economic risks. As such, the Resulting Issuer is subject to liquidity risks in meeting its development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the Resulting Issuer's ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Issuer. If uncertain market conditions persist, the Issuer's ability to raise capital could be jeopardized, which could have an adverse impact on the Issuer's operations and the trading price of Resulting Issuer Shares on the stock exchange.

Competition

It is likely that the Resulting Issuer will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and experience than the Resulting Issuer. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition, results of operations or prospects of the Resulting Issuer.

The Resulting Issuer expects to face additional competition from new entrants. To become and remain competitive, the Resulting Issuer will require research and development, marketing, sales and support. The Resulting Issuer may not have sufficient resources to maintain research and development, marketing, sales and support efforts on a competitive basis which could materially and adversely affect the business, financial condition, results of operations or prospects of the Resulting Issuer.

To remain competitive, the Resulting Issuer will require a continued high level of investment in research and development, marketing, sales and client support. The Resulting Issuer may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of the Resulting Issuer.

Foreign Sales and Currency Fluctuations

The Resulting Issuer's functional currency is denominated in Canadian dollars. The Resulting Issuer currently expects that sales will be denominated in Canadian dollars and may, in the future, have sales denominated in the currencies of additional countries in which it establishes operations or distribution. In addition, the Resulting Issuer incurs the majority of its operating expenses in Canadian dollars. In the future, the proportion of the Resulting Issuer's sales that are international may possibly increase. Such sales may be subject to unexpected regulatory requirements and other barriers. Any fluctuation in the exchange rates of foreign currencies may negatively impact the Resulting Issuer's business, financial condition and results of operations. The Resulting Issuer has not previously engaged in foreign currency hedging. If the Resulting Issuer decides to hedge its foreign currency exposure, it may not be able to hedge

effectively due to lack of experience, unreasonable costs or illiquid markets. In addition, those activities may be limited in the protection they provide the Resulting Issuer from foreign currency fluctuations and can themselves result in losses.

Internal Controls

Effective internal controls are necessary for the Resulting Issuer to provide reliable financial reports and to help prevent fraud. Although the Resulting Issuer will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Resulting Issuer under Canadian Securities Law, the Resulting Issuer cannot be certain that such measures will ensure that the Resulting Issuer will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Resulting Issuer's results of operations or cause it to fail to meet its reporting obligations. If the Resulting Issuer or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Resulting Issuer's consolidated financial statements and materially adversely affect the trading price of the Resulting Issuer Shares.

Estimates or Judgments Relating to Critical Accounting Policies

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The Resulting Issuer bases its estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances, as provided in the notes to the ReSolve Annual Financial Statements and the ReSolve Annual Financial Statements, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. The Resulting Issuer's operating results may be adversely affected if the assumptions change or if actual circumstances differ from those in the assumptions, which could cause the Resulting Issuer's operating results to fall below the expectations of securities analysts and investors, resulting in a decline in the share price of the Resulting Issuer. Significant assumptions and estimates used in preparing the financial statements include those related to the credit quality of accounts receivable, income tax credits receivable, share based payments, impairment of non-financial assets, fair value of biological assets, as well as revenue and cost recognition.

Section 22: Promoters

Andre Proulx is the "promoter" of ReSolve, as defined under applicable securities laws, having taken the initiative of founding, organizing and substantially reorganizing the business of QNB Metals Inc., as the reverse takeover target, for the business of the Resulting Issuer.

Section 23: Legal Proceedings and Regulatory Actions

Other than as disclosed below, there are no outstanding legal proceedings material to the Corporation or ReSolve to which the Corporation or ReSolve is a party or in respect of which any of its properties are subject, nor are there any such proceedings known to the Corporation or ReSolve to be contemplated.

No penalties or sanctions have been imposed against the Corporation or ReSolve by a court relating to provincial and territorial securities legislation or otherwise or by a securities regulatory body or any other regulatory body within the three years immediately preceding the date of this Listing Statement. Management of the Corporation and ReSolve are not aware of any such penalties or sanctions imposed against the Corporation and ReSolve, respectively.

Neither the Corporation nor ReSolve have entered into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of this Listing Statement. Management of ReSolve and Company are not aware of any such settlement agreements entered into by ReSolve or the Corporation.

Section 24: Interests of Management and Others in Material Transactions

Other than as described elsewhere in this Listing Statement, there are no material interests, direct or indirect, of any of the Resulting Issuer's proposed directors or executive officers, any shareholder that beneficially owns, or controls or directs (directly or indirectly), more than 10% of any class or series of the outstanding voting securities, or any associate or affiliate of any of the foregoing persons, in any transaction within the three years before the date hereof that has materially affected or is reasonably expected to materially affect the Resulting Issuer or any of its subsidiaries.

Section 25: Auditor, Transfer Agent and Registrar

Auditors

Prior to the completion of the Transaction, MNP LLP located at 1155 Blvd. René-Lévesque W., 23 Fl, Montreal, Québec, H3B 2K2, is QNB's auditor and has confirmed that it is independent of QNB within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants.

Prior to the completion of the Transaction, Kingston Ross Pasnak LLP located at Suite 1500, 9888 Jasper Avenue NW, Edmonton, Alberta, T5J 5C6, is ReSolve's auditor and confirmed that it is independent of ReSolve within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants.

Upon completion of the Transaction, Kingston Ross Pasnak LLP located at Suite 1500, 9888 Jasper Avenue NW, Edmonton, Alberta, T5J 5C6 will continue to be the auditor of the Resulting Issuer.

Transfer Agent

Prior to the completion of the Transaction, Computershare Investor Services Inc., located at 650 de Maisonneuve Blvd. West, 7th floor, Montreal, QC, H3A 3T2, is the Corporation's registrar and transfer agent.

Upon completion of the Transaction, Computershare Investor Services Inc., located at 650 de Maisonneuve Blvd. West, 7th floor, Montreal, QC, H3A 3T2, will continue to be registrar and transfer agent of the Resulting Issuer.

Section 26: Material Contracts

This Listing Statement includes a summary description of certain of the Resulting Issuer's material agreements upon completion of the Transaction. The summary description discloses all attributes material to an investor in the Resulting Issuer Shares but is not complete and is qualified by reference to the terms of the material agreements, which will be filed with the Canadian securities regulatory authorities and available on SEDAR+, at www.sedarplus.ca, under the Resulting Issuer's profile. Investors are encouraged to read the full text of such material agreements.

The following are the only material contracts that will be in effect upon Listing (other than certain agreements entered into in the ordinary course of business):

- (i) the CSE Escrow Agreement to be entered into between the Corporation and the Escrow Agent dated October 14, 2025;
- (ii) the Definitive Agreement dated October 14,, 2025; and
- (iii) Voluntary Escrow Arrangement dated October 14,, 2025.

A copy of the Definitive Agreement will be available following the Listing on SEDAR+ at www.sedarplus.ca.

Section 27: Interest of Experts

The following are persons or companies whose profession or business gives authority to a statement made in this Listing Statement as having prepared or certified a part of that document or report described in the Listing Statement:

- (i) MNP LLP is the external auditor of QNB and reported on the Corporation's audited financial statements for the period ended April 30, 2025, attached as Schedule A; and
- (ii) Kingston Ross Pasnak LLP, is the external auditor of ReSolve and reported on ReSolve's audited financial statements for the year ended February 28, 2025, attached as Schedule C.

To the knowledge of management of ReSolve and the Corporation, as of the date hereof, no expert, nor any associate or affiliate of such person has any beneficial interest, direct or indirect, in the property of ReSolve or the Corporation, or the anticipated property of the Resulting Issuer or of an associate or affiliate of any of them, and, as of the date hereof, each expert, or any associate or affiliate of such person, as a group, beneficially owns, directly or indirectly, less than 1% of the outstanding securities of the Resulting Issuer and no such person is or is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or of an associate or affiliate thereof.

Section 28: Other Material Facts

To management's knowledge, there are no other material facts relating to the securities of the Resulting Issuer upon completion of the Transaction that are not otherwise disclosed in this Listing Statement or are necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Corporation, ReSolve, or the Resulting Issuer.

CERTIFICATE OF RESOLVE ENERGY INC.

Dated: October 14, 2025

The foregoing contains full, true and plain disclosure of all material information relating to ReSolve Energy Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

On behalf of ReSolve Energy Inc.

/s/ "André Proulx"
President

/s/ "Simon Bouffard"
Chief Financial Officer

On behalf of the Promoter

/s/ "André Proulx"
Promoter

On behalf of the Board of Directors

/s/ "Suzanne Piché"
Director

/s/ "Martin Frédette"
Director

CERTIFICATE OF QNB METALS INC.

Dated: October 14, 2025

The foregoing contains full, true and plain disclosure of all material information relating to QNB Metals Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

On behalf of QNB Metals Inc.

/s/ "Ian C. Peres"
Chief Executive Officer

/s/ "Byron D'Silva"
Chief Financial Officer

On behalf of the Board of Directors

/s/ "Maxime Lemieux"
Director

/s/ "Mario Drolet"
Director

Schedule A
Audited Financial Statements of QNB for the years ended April 30, 2025 and 2024

See attached.

To the Shareholders of QNB Metals Inc.:

Opinion

We have audited the financial statements of QNB Metals Inc. (the "Corporation"), which comprise the statements of financial position as at April 30, 2025 and April 30, 2024, and the statements of changes in shareholders' equity; loss, comprehensive loss and deficit; and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at April 30, 2025 and April 30, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits 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 Corporation in accordance with the ethical requirements that are relevant to our audits 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 in the financial statements, which indicates that the Company is subject to risks and challenges and as a result, there exist material uncertainties that may cast significant doubt on the Corporation's ability to continue as a going concern. The Corporation has not generated any income or cash flows from its operations for the year ended April 30, 2025. As stated in Note 1, there is no assurance that the Corporation's funding activities will continue to be successful in the foreseeable future. The Corporation is relying on management to raise additional funds through private placements and other equity financing methods. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Corporation'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 judgment, were of most significance in our audit of the financial statements of the current period. 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 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 audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits 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 on this other information, 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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 Corporation'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 Corporation'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 Corporation 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 audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

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 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 Anand Beejan.

Montréal, Québec

July 4, 2025

MNP LLP¹

¹ By CPA auditor, public accountancy permit No. A126822



QNB METALS INC.
Statements of Financial Position

As at April 30,	Notes	2025 \$	2024 \$
Current assets			
Cash and equivalents		99,772	19,621
Receivables		5,810	-
Sales taxes recoverable		103,867	71,851
Total current assets		209,449	91,472
Interest in ReSolve Hydrogen Inc.	5	349,200	-
Total assets		558,649	91,472
Current liabilities			
Accounts payable and accrued liabilities		240,662	579,989
Total current liabilities		240,662	579,989
<i>Going concern</i>	1		
<i>Subsequent events</i>	10		
Shareholders' equity			
Share Capital	6	2,056,203	1,290,779
Warrants reserve		418,506	80,067
Share based compensation		214,736	33,000
Deficit		(2,371,458)	(1,892,363)
Total shareholders' equity (deficit)		317,987	(488,517)
Total liabilities and shareholders' equity		558,649	91,472

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board of Directors:

(signed) Ian C. Peres

Ian C. Peres, President & CEO

(signed) Michael Mansfield

Michael Mansfield, Director



QNB METALS INC.
Statements of Changes In Shareholders' Equity

	Notes	Capital Stock					Shareholders' Equity
		Shares	\$	Warrants	Stock Options	Deficit	
Balance as at April 30, 2024		26,449,961	1,290,779	80,067	33,000	(1,892,363)	(488,517)
Share issuance on private placement	6	10,200,000	510,000				510,000
Fair value of purchase warrants	6		(309,000)	309,000			-
Fair value of broker compensation warrants	6		(29,439)	29,439			-
Share issuance costs	6		(30,337)				(30,337)
Share issuance on debt settlement	6	6,100,000	325,000				325,000
Interest in ReSolve Hydrogen Inc.	5	4,000,000	299,200				299,200
Share based compensation - stock options	6				181,736		181,736
Loss and comprehensive loss						(479,095)	(479,095)
Balance as at April 30, 2025		46,749,961	2,056,203	418,506	214,736	(2,371,458)	317,987
Balance as at April 30, 2023		10,799,961	736,011	107,308	33,000	(1,034,257)	(157,938)
Share issuance on private placement financing	6	2,150,000	23,100				23,100
Fair value of warrants issued on private placement				84,400			84,400
Share issuance costs - cash			(17,332)	(4,333)			(21,665)
Share issuance on exercise of stock options	6	13,500,000	549,000				549,000
Expiry of warrants				(107,308)		107,308	-
Loss and comprehensive loss						(965,414)	(965,414)
Balance as at April 30, 2024		26,449,961	1,290,779	80,067	33,000	(1,892,363)	(488,517)

The accompanying notes are an integral part of these financial statements.



QNB METALS INC.

Statements of Loss, Comprehensive Loss and Deficit

For the years ended April 30,	Notes	2025 \$	2024 \$
Expenses			
Exploration and evaluation expenditures	4	45,266	585,221
Share based compensation - stock options	6	181,736	-
Management fees	8	82,080	195,167
General & administration		55,748	32,040
Legal & audit		94,265	152,986
Loss before income taxes		459,095	965,414
Other items			
Loss on settlement of debt		20,000	-
Loss before income taxes		479,095	965,414
Deferred taxes	7	-	-
Loss and comprehensive loss		479,095	965,414
Deficit, beginning of year			
Warrant expiry	6	-	(107,308)
Deficit, end of year		2,371,458	1,892,363
Loss per share (basic and diluted)			
		\$0.01	\$0.05
Weighted average outstanding shares			
		34,768,591	19,907,084

The accompanying notes are an integral part of these financial statements.



QNB METALS INC.
Statements of Cash Flows

For the years ended April 30,	Notes	2025 \$	2024 \$
Operating activities			
Loss and comprehensive loss		(479,095)	(965,414)
Add: non-cash items			
Shared based compensation - stock options	6	181,736	-
Exploration and evaluation expenditures - non cash		-	549,000
Loss on settlement of debt	6	20,000	-
Net change in non-cash working capital balances			
Receivables		(5,810)	-
Sales taxes recoverable		(32,016)	(33,557)
Accounts payable and accrued liabilities		(34,327)	382,317
Cash used in operating activities		(349,512)	(67,654)
Investing activities			
Interest in ReSolve Hydrogen Inc.	5	(50,000)	-
Cash used in investing activities		(50,000)	-
Financing activities			
Common shares issued on private placement, net of issue costs	6	479,663	85,835
Cash provided from financing activities		479,663	85,835
Net increase in cash and equivalents		80,151	18,181
Cash and equivalents, beginning of year		19,621	1,440
Cash and equivalents, end of year		99,772	19,621
Supplemental cashflow information			
Shares issued for interest in ReSolve Hydrogen Inc.		299,200	-
Shares issued for settlement of debt		325,000	-

The accompanying notes are an integral part of these financial statements.

1. Nature of operations and going concern

Nature of operations

QNB Metals Inc. (“QNB” or the “Corporation”) was incorporated under the Canada Business Corporations Act on October 19, 2020 and is an exploration and development company committed to identifying and advancing opportunities in the natural and mineral resource and clean energy sectors.

QNB holds the Kingsville Salt Project, an exploration project located in the area of Kingsville, on Nova Scotia’s Cape Breton Island, approximately 20 km north of the Port Hawkesbury / Point Tupper industrial area in the Strait of Canso. The Corporation also holds a 49.9% interest in *Resolve Hydrogen Inc.* which holds a highly prospective land package in Ontario and Quebec, and leading patent pending detection and storage technologies and proprietary methodologies, with its joint venture partner, *ReSolve Énergie Inc.*

The address of its head office is 2700-1000 rue Sherbrooke West, Montréal Québec, H3A 3G4, Canada. The Corporation’s shares trade on the Canadian Securities Exchange (“CSE”) under the symbol “TIM.X”.

Going concern

These annual financial statements, including comparatives, have been prepared using International Financial Reporting Standards (“IFRS[®]”) applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from April 30, 2025.

The Corporation is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there exist material uncertainties that cast significant doubt on the Corporation’s ability to continue as a going concern. There is no assurance that the Corporation’s funding initiatives will continue to be successful and these annual financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

The Corporation will have to raise additional funds through private placement and other equity financings and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

See Note 10. Subsequent Events for related information.

2. Basis of presentation

Statement of Compliance

These annual financial statements have been prepared in accordance with *International Financial Reporting Standards* (“IFRS[®]”) as issued by the *International Accounting Standards Board* (“IASB”) and as adopted by the *Canadian Accounting Standards Board* (“AcSB”).

The annual financial statements comply with all applicable requirements of IFRS, including all *International Accounting Standards* (“IAS”) and Interpretations issued by the *IFRS Interpretations Committee* (“IFRIC”) and its predecessor, the *Standing Interpretations Committee* (“SIC”), that are effective as at the reporting date.

The financial statements were authorized for issue by the Board of Directors on July 3, 2025.

Basis of Measurement

These annual financial statements have been prepared under the historical cost convention, except for certain financial instruments measured at fair value, as set out in the material accounting policies in note 3. The Company’s presentation currency and functional currency is the Canadian Dollar.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Corporation’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

3. Material accounting policy information

The principal accounting policies have been consistently applied to all years and are set out below:

Foreign currency translation

Monetary assets and liabilities denominated in a foreign currency are translated to Canadian dollars at exchange rates in effect at the balance sheet date and non-monetary assets and liabilities are translated at rates of exchange in effect when the assets were acquired or obligations incurred. Revenues and expenses are translated at rates in effect at the time of the transactions. Foreign exchange gains and losses are included in the Statements of Loss and Comprehensive Loss, except for differences arising on the translation of available for sale equity instruments that are recorded in other accumulated comprehensive income

Financial instruments

a) Classification

Financial Assets/Liabilities	Classification
Cash and cash equivalents	Financial asset at amortized cost
Receivables	Financial asset at amortized cost
Accounts payable and accrued liabilities	Financial liabilities at amortized cost
Payable to a related party	Financial liabilities at amortized cost

The Corporation determines the classification of financial assets at initial recognition. The classification of its instruments is driven by the Corporation’s business model for managing the financial assets and their contractual cash flow characteristics. Financial assets are recognized at fair value and are subsequently classified and measured at amortized cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). Financial liabilities are recognized initially at fair value, and are subsequently classified and measured at amortized cost, or FVTPL.

b) Measurement

Financial assets and liabilities at amortized cost:

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment for a financial asset.

Financial assets and liabilities at FVTPL:

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. 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 the statements of net loss and comprehensive loss in the period in which they arise. Where the Corporation has opted to recognize a financial liability at FVTPL, any changes associated with the Corporation’s own credit risk will be recognized in other comprehensive income (loss).

Impairment of financial assets at amortized cost

The Corporation recognizes a loss allowance for expected credit losses on financial assets that are measured at

amortized cost. At each reporting date, the Corporation measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Corporation measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Corporation recognizes an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Cash and equivalents

Cash and equivalents comprise cash in bank and short-term deposits that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Joint Ventures

The Corporation accounts for its interests in joint ventures using the equity method as prescribed by IFRS 11 *Joint Arrangements* and IAS 28 *Investments in Associates and Joint Ventures*.

Under the equity method, investments are initially recognized at cost and subsequently adjusted for the Corporation's share of the JV's profit or loss and other comprehensive income, in the Statements of Earnings (Loss) and Other Comprehensive Earnings (Loss) and Deficit, respectively. Distributions received from the joint venture reduce the carrying amount of the investment.

Equity

Share capital

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. In addition, if shares were issued as consideration for the acquisition of a mineral property or some other form of non-monetary assets, they are measured at their fair value according to the price of the most recent share issue of the Corporation adjusted by a discount for lack of marketability for any restriction or, after the Corporation being listed, their fair value according to the quoted price on the date of the conclusion of the agreement.

Unit placements

The Corporation has adopted a residual method with respect to the measurement of common shares and warrants issued as private placement units. Warrants attached to units are valued based on the fair value of shares using the Black- Scholes valuation model and the share price at the time of financing, and the difference between the proceeds raised and the value assigned to the warrants is the residual fair value of the shares.

Other elements of equity

Warrants

Warrants that have been issued in combination with common shares are accounted for under IAS 32, Financial instruments: Presentation. Equity classification applies to instruments where a fixed amount of cash (or liability) denominated in the issuer's functional currency is exchanged for a fixed amount of shares.

In calculating the fair value of warrants, the Corporation used the Black Scholes option model which incorporates assumptions such as the Corporation's share price, term of the warrant, expected share price volatility, dividend yield and the risk-free interest rate. Warrants include fair value allocated to the warrants issued. When warrants are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under warrant reserve is transferred to deficit.

Debt for Equity Settlements

When financial liabilities are extinguished by issuing common shares, such common shares are measured at their fair value, or if not reliably measurable, the fair value of the liability extinguished is used. The difference between the carrying amount of the liability and the fair value of the common shares issued is recognized in contributed surplus if settlement is with a shareholder or profit or loss if settlement is with a creditor.

Contributed Surplus

Contributed surplus includes charges related to stock options until such stock options are exercised. When stock options are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under contributed surplus reserve is transferred to deficit.

Deficit includes all current and prior period retained profits and losses. Deficit also includes charges related to warrants and stocks options expired and any amounts in excess of total contributed surplus related to shares repurchased.

Purchase for cancellation

When shares are purchased for cancellation, the carrying amount of the shares is recognized as a deduction of share capital. The difference between the purchase price and the carrying amount is charged to contributed surplus and then to deficit for any amounts in excess of total contributed surplus related to repurchased shares.

Share-based payments

Stock options plan

The Corporation operates an equity-settled share-based payment plan for its eligible directors, officers, and employees. The Corporation's plan does not feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Corporation cannot estimate reliably the fair value of the goods or services received, the Corporation measures their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Corporation measures the fair value of the services received by reference to the fair value of the equity instruments granted.

All equity-settled share-based payments (except equity-settled share-based payments to brokers) are ultimately recognized as an expense in loss or capitalized as an exploration and evaluation asset, depending on the nature of the payment with a corresponding credit to contributed surplus or warrant reserve, in equity. Equity-settled share-based payments to brokers, in respect of an equity financing are recognized as issuance costs of the equity instruments with a corresponding credit to contributed surplus or warrant reserve, in equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of stock options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of stock options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if stock options ultimately exercised are different to that estimated on vesting.

Upon expiry of the warrants or stock options, the corresponding amounts in the warrants reserve and contributed surplus respectively are transferred to share capital.

Upon exercise of stock options, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the stock options recorded in contributed surplus are then transferred to share capital.

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in the statement of net loss and comprehensive loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income ("OCI").

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

The Corporation recognizes deferred taxes in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Basic and diluted loss per share

Basic loss per share is calculated by dividing net loss attributable to common equity holders of the Corporation by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options and warrants. When a loss is incurred during a period, basic and diluted loss per share are the same because the exercise of share equivalents is then considered to be anti-dilutive.

Use of estimates and judgments

The preparation of these financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The evaluation of the Corporation's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment based on past experience and other assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to note 1 for further information.

Impairment

In assessing impairment, the Corporation must make estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Corporation's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information become available.

Going concern

The evaluation of the Corporation's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment based on past experience and other assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to note 1 for further information.

Settlement of debts with shareholders and contractors

During the reporting period, the Company settled certain outstanding debts with parties who hold dual roles as both shareholders and creditors. These transactions required significant judgment to determine the appropriate classification and accounting treatment, particularly in assessing the capacity in which the parties acted when settling the debts.

Management evaluated the substance of each transaction to determine whether the settlement was made in the capacity of a shareholder (i.e., as a capital contribution or equity transaction) or as a creditor (i.e., as a financial liability extinguishment). This assessment considered the contractual terms, the nature of the relationship, the intent of the parties, and any supporting documentation or board resolutions.

Where the settlement was deemed to be in the capacity of a shareholder, the transaction was accounted for as an equity contribution and recognized directly in equity. Conversely, where the settlement was determined to be in the capacity of a creditor, the transaction was assessed under IFRS 9 – Financial Instruments, and any gain or loss on extinguishment was recognized in profit or loss.

This judgment is critical as it affects the presentation of the financial statements and the related disclosures under IAS 1 and IAS 24.

Share-based payments and warrant valuation

The estimation of share-based payment costs and measurement of warrant value of issuance requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The model used by the Corporation is the Black Scholes valuation model. For the significant inputs in the Black Scholes option pricing model, management made the following assumptions:

Underlying stock price

Set the stock price based on the equity offering from non-brokered private placements at or near the grant date of the options adjusted for discount for lack of marketability (DLOM).

Underlying stock price volatility

Based on historical data of comparable publicly traded companies in the mining industry.

Expected life

Given the limited history of the stock option plan and the Corporation, assumptions are required to be made for expected life and forfeitures.

New Accounting Policies Not Yet Adopted

The Corporation has not yet adopted certain new standards, amendments and interpretations to existing standards effective for accounting periods beginning on or after October 1, 2024 or later periods. The new and amended standards are not expected to have a material impact on the Corporation except for the below standards.

IFRS 9: *Financial Instruments* requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard also provides guidance on the derecognition of financial liabilities.

Amendments to IFRS 9 and IFRS 7: *Financial Instruments, Disclosures*, effective for reporting periods beginning on or after January 1, 2026, address classification and measurement of financial instruments. The Corporation is assessing the impact of these amendments on its financial statements.

IFRS 18: *Presentation and Disclosure in Financial Statements* aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Corporation is currently assessing the impact on its financial statements.

IAS 21: The Effects of Changes in Foreign Exchange Rates

IAS 21 outlines how to account for transactions in foreign currencies and how to translate financial statements of foreign operations into a presentation currency and is effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted. The amendment addresses situations where a foreign currency is not exchangeable into another currency (e.g., due to government restrictions or illiquidity in the market). It provides a definition of exchangeability, guidance on determining the exchange rate to use when exchangeability is temporarily or permanently lacking and required disclosures to enhance transparency.

The Corporation is currently evaluating the impact of this amendment which is not expected to have a material impact on the financial statements.

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Corporation. Management anticipates that all of the pronouncements will be adopted in the Corporation's accounting policy for the first period beginning after the effective date of each pronouncement.

Information on new standards, amendments and interpretations have been issued but are not expected to have a material impact on the financial statements.

4. Exploration and evaluation expenditures

The Corporation expenses all exploration and evaluation expenditures to the Statements of Loss, Comprehensive Loss and Deficit.

QNB holds the Kingsville Salt Project, an exploration project located in the area of Kingsville, on Nova Scotia's Cape Breton Island, approximately 20 km north of the Port Hawkesbury / Point Tupper industrial area in the Strait of Canso. The project is being reviewed for the presence of a natural reservoir and salt occurrences to capture and store carbon gas for industrial operations. Certain non-essential claims along the southern edge of the property package were allowed to expire in April 2025.

5. Interest in ReSolve Hydrogen Inc.

In January 2025, QNB finalized the joint venture agreement with *Resolve Energie Inc.* whereby it acquired a 49.9% interest (50.1% *Resolve Energie Inc.*) in a newly created corporation named *ReSolve Hydrogen Inc.* ("RHI") in exchange for total consideration of i) 4,000,000 common shares of the Corporation; and ii) a \$50,000 cash payment to *Resolve Energie Inc.* RHI was transferred from *ReSolve Energie Inc.* three patent-pending technologies on hydrogen detection and storage/production and 119 highly prospective mineral exploration claims across 7 claim blocks, covering 6,613 hectares (66 km²) in Northern Quebec.

The Investment in ReSolve Hydrogen Inc. ("RHI"), over which the Corporation has joint control, is reported using the equity method of accounting. Under the equity method, the investment is initially recognized at cost and subsequently adjusted for the Corporation's share of the associate's net income (loss), and other comprehensive income (loss). Given no operations in RHI since inception in January 2025, there was no equity pickup as there

was no net income (loss), and other comprehensive income (loss) in RHI.

The fair value of the *ReSolve Hydrogen Inc.* was reported on the Statement of Financial Position using the share price at the date of issuance of shares which amounted to \$ 340,000 less \$40,800 reflecting a Discount for Lack of Marketability (“DLOM”) for the four month exchange hold period. *Resolve Hydrogen Inc.* had no activity or operations from the date of its incorporation to the year end. No indicators of impairment were identified as at the end of the year.

6. Share Capital

Authorized share capital

The Corporation is authorized to issue an unlimited number of Common shares without par value.

Capital stock transactions

In January 2025, QNB acquired a 49.9% interest (50.1% *ReSolve Energie Inc.*) in a newly created corporation named *ReSolve Hydrogen Inc.* in exchange for total consideration to *Resolve Energie Inc.* of i) 4,000,000 common shares of the Corporation at a deemed price of \$0.10 and ii) a \$50,000 cash payment. The fair value of the *ReSolve Hydrogen Inc.* was reported on the Statement of Financial Position using the share price at the date of issuance of shares which amounted to \$ 340,000 less \$40,800 reflecting a Discount for Lack of Marketability (“DLOM”) for the four month exchange hold period,.

In November 2024, the Corporation completed a private placement financing of \$510,000 in gross proceeds (the “Financing”) and issued 10,200,000 units at a price of \$0.05 per unit (“Units”) comprised of one common share and one purchase warrant exercisable at \$0.075 for eighteen months from closing. The purchase warrants are subject to an accelerated expiry if the volume weighted average trading price of the common shares is equal to or greater than \$0.10 for a period of ten (10) consecutive trading days. There was a total of \$20,184 in cash finders’ and other fees paid, 310,000 broker compensation warrants under the same terms as the purchase warrants, and 50,000 broker compensation warrants exercisable at \$0.14 for eighteen months from closing. Insiders subscribed for \$7,500 or 150,000 units of the Financing. Other issue costs were \$10,153.

In November 2024, the Corporation issued 6,100,000 common shares (“Shares”) to settle \$305,000 in debt to shareholders and contractors. The fair value of the Shares to the contractors at the issue date was \$60,000 and a \$20,000 loss on debt settlement was reported on the Statement of Loss, Comprehensive Loss and Deficit and as a reduction of share capital on the Statement of Changes in Shareholders’ Equity. The transaction with the shareholders amounting to \$265,000 was deemed as shareholder transaction and gain/loss on those transactions have been recorded directly in equity. A total of 5,060,000 Shares were issued to the former President and CEO, 240,000 Shares to a former director, and 800,000 Shares to an arm’s length contractor. A former director subscribed for \$7,500 or 150,000 units of the private placement financing completed in November 2024.

In November 2023, the Corporation signed an option to acquire a 100% interest in the Havre Aubert East property located in the Magdalen Islands in the Province of Quebec, Canada. Pursuant to this transaction, 500,000 shares were issued. Based on the prevailing share prices at the date of the grant, the fair value of the shares estimated at \$10,000 was recorded as an increase in share capital.

The summary terms of the option agreement are as follows:

Property	Havre Aubert East property	
Effective Date	11/16/2023	
Payment from Effective Date	Shares	Cash
Immediate (November 2023 – issued)	500,000	-
On or before April 30, 2024	-	15,000
On or before 1 st Anniversary	500,000	25,000
On or before 2 nd Anniversary	1,000,000	40,000
On or before 3 rd Anniversary	1,000,000	40,000
Total	3,000,000	120,000

The option agreement was terminated in February 2024.

In October 2023, the Corporation completed a private placement of 850,000 units at a price of \$0.05 per unit. Each unit comprised one share and one warrant. Additionally, \$851 incurred towards legal expenses were recorded as share issuance costs. The fair value of one warrant at the date of the closing was estimated at \$0.032 using the Black Scholes option pricing model with a volatility of 392% and a risk-free rate of 4.34%.

In October 2023, the Company acquired 100% interest in the Kingsville's Salt property located in Nova Scotia, Canada by issuance of 9,000,000 common shares. The Company also issued 900,000 common shares as Finders Fees pursuant to the above transaction. Accordingly, an amount of \$198,000 was reported as Exploration and Evaluation expenditures - non cash equal to the fair value of the common shares issued.

In June 2023, the Corporation completed a private placement of 1,300,000 units at a price of \$0.05 per unit. Each unit comprised one share and one warrant. Additionally, \$21,665 incurred towards legal expenses were recorded as share issuance costs. The fair value of one warrant at the date of the closing was estimated at \$0.04 using the Black Scholes option pricing model with a volatility of 276% and a risk-free rate of 4.83%.

In June 2023, the Corporation entered into two option agreements for the Goodwin Property pursuant to which 3,100,000 common shares were issued. Based on the prevailing share price at the date of the grant, the fair value of the common shares estimated at \$341,000 was reported as Exploration and Evaluation expenditures - non cash equal to the fair value of the common shares issued.

The summary terms of the option agreement are as follows:

Property	Goodwin Property	
Effective Date	06/12/2023	
Payment from Effective Date	Shares	Cash
Immediate (June 2023 - issued)	3,100,000	10,350
1st Anniversary	100,000	10,000
2nd Anniversary	100,000	10,000
3rd Anniversary	200,000	20,000
Total	3,500,000	50,350

This option agreement was terminated during February 2024.

In January 2023, the Corporation entered into two Option Agreements pursuant to which 1,500,000 shares were issued. Based on the prevailing share prices at the date of the grant, the fair value of the shares estimated at \$27,500 have was recorded as an increase in share capital.

The summary of the two Option Agreements are as follows:

Property	Goodwin Property		North West Miramichi Ni-Cu	
Effective Date	01/23/2023		01/31/2023	
Payment from Effective Date	Shares	Cash	Shares	Cash
Immediate (January 2023 - issued)	500,000	-	1,000,000	-
1st Anniversary	400,000	30,000	1,000,000	-
2nd Anniversary	400,000	40,000	1,000,000	50,000
3rd Anniversary	400,000	80,000		50,000
4th Anniversary	700,000	100,000		100,000
Total	2,400,000	250,000	3,000,000	200,000

These option agreements were terminated in February 2024.

In July 2021, as part of the listing qualifying transaction, the Corporation completed a private placement of 5,000,000 units at a price of \$0.10 per unit with each unit comprised of one common share and one-half warrant.

A total of 2,283,666 of the 5,000,000 common shares issued were originally held in escrow as part of the listing requirements. These escrow shares were released over a 36-month timeframe with the final tranche of 342,550 shares released from escrow in August 2024.

c. Warrants

In November 2024, in conjunction with the private placement financing of \$510,000, the Corporation issued 10,200,000 purchase warrants exercisable at \$0.075 with an expiry date of May 2026. The purchase warrants are subject to an accelerated expiry if the volume weighted average trading price of the common shares is equal to or greater than \$0.10 for a period of ten (10) consecutive trading days ("Accelerated Expiry").

In connection with the November 2024 financing, the Corporation issued 310,000 broker compensation warrants exercisable at \$0.075. The estimated fair value, with an eighteen (18) month term, was \$25,705 using the Black Scholes valuation model and was reported as non cash Issue Costs on the Statement of Changes in Equity.

In connection with the November 2024 financing, the Corporation issued 50,000 broker compensation warrants exercisable at \$0.14, both with an expiry date of May 2026. The estimated fair value, with an eighteen (18) month term, was \$3,734 using the Black Scholes valuation model and was reported as non cash Issue Costs on the Statement of Changes in Equity.

In June 2023, the Corporation issued 1,300,000 purchase warrants exercisable into one common share at a price of \$0.40 expiring June 2025. In October 2023, the Corporation issued 850,000 purchase warrants exercisable into one common share at a price of \$0.40 expiring October 2025. In July 2023, 2,682,700 purchase warrants expired unexercised.

Warrant details are as follows:

Year ended April 30,	Exercise Price	Expiry Date	2025	2024
			#	#
Outstanding, beginning of year				
Purchase warrants	\$0.18	July 2023	-	2,682,700
Purchase warrants	\$0.16	Jun 2025	1,300,000	-
Purchase warrants	\$0.40	Oct 2025	850,000	-
			2,150,000	2,682,700
Issued during the year				
Purchase warrants ¹	\$0.075	May 2026	10,200,000	-
Broker warrants ²	\$0.075	May 2026	310,000	-
Broker warrants ³	\$0.140	May 2026	50,000	-
Purchase warrants ⁴	\$0.16	Jun 2025	-	1,300,000
Purchase warrants ⁴	\$0.40	Oct 2025	-	850,000
			10,560,000	2,150,000
Expired during the year				
Purchase warrants ⁵	\$0.18	July 2023	-	(2,682,700)
			-	(2,682,700)
Outstanding, end of year				
Purchase warrants	\$0.075	May 2026	10,200,000	-
Broker warrants	\$0.075	May 2026	310,000	-
Broker warrants	\$0.140	May 2026	50,000	-
Purchase warrants	\$0.40	Oct 2025	850,000	850,000
Purchase warrants	\$0.16	Jun 2025	1,300,000	1,300,000
			12,710,000	2,150,000

⁽¹⁾ In November 2024, in connection with the \$510,000 private placement, the Corporation issued 10,200,000 purchase warrants exercisable at \$0.075. The estimated fair value, with an eighteen (18) month term, was \$309,000 using the Barrier pricing model. The weighted average grant date fair value was \$0.03 per warrant. The

underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 18 months, expected volatility: 185%, and expected dividend yield: 0.00%.

- (2) In November 2024, in connection with the \$510,000 private placement, the Corporation issued 310,000 broker compensation warrants exercisable at \$0.075. The estimated fair value, with an eighteen (18) month term, was \$25,705 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.083 per warrant. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 18 months, expected volatility: 185%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.
- (3) In November 2024, in connection with the \$510,000 private placement, the Corporation issued 50,000 broker compensation warrants exercisable at \$0.14. The estimated fair value, with an eighteen (18) month term, was \$3,734 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.075 per warrant. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 18 months, expected volatility: 185%, expected dividend yield: 0.00%, and forfeiture rate: 0.
- (4) In June 2023, the Corporation issued 1,300,000 purchase warrants exercisable into one common share at a price of \$0.16 expiring June 2025. In October 2023, the Corporation issued 850,000 purchase warrants exercisable into one common share at a price of \$0.40 expiring October 2025.
- (5) In July 2023, 2,682,700 purchase warrants expired unexercised.

Share-based payments

The Corporation offers a stock option plan for its officers, directors, employees and consultants. The fair value of stock options for each vesting period is determined using the Black Scholes option pricing model and is recorded over the vesting period as an increase to stock-based compensation and contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the exercise of stock options, the proceeds received by the Corporation and the related contributed surplus are recorded as an increase to share capital. In the event that vested stock options expire, previously recognized share-based compensation is not reversed. In the event that stock options are forfeited, previously recognized share-based compensation associated with the unvested portion of the stock options forfeited is reversed.

The fair value of share-based payment transactions to non-employees and other share-based payments including shares issued to acquire exploration and evaluation assets are based on the fair value of the goods and services received. If the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Corporation receives the goods or services.

In April 2025, the Corporation granted 200,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.05, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$9,875 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.05 per stock option.

In December 2024, the Corporation granted 500,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.08, with immediate vesting, and a five-year term. The estimated fair value, with a five-year term and immediate vesting, was \$39,941 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.08 per stock option.

In November 2024, the Corporation granted 650,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.08, with immediate vesting, and a five-year term. The estimated fair value, with a five-year term and immediate vesting, was \$51,924 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.08 per stock option.

In September 2024, the Corporation granted 1,600,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.075, with immediate vesting, and a five-year term. The estimated fair value, with a five-year term and immediate vesting, was \$79,995 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.05 per stock option.

In March 2023, the Corporation issued 1,000,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.10. The estimated fair value, with a five-year term and immediate vesting, was \$33,000 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.043 per stock option.

The outstanding stock option details follow:

For the year ended April 30,	2025		2024	
	Weighted Average Exercise	# Options	Weighted Average Exercise	# Options
Outstanding, beginning of period	\$0.10	1,000,000	-	-
Transactions during the period:				
Granted ⁽¹⁾	0.08	2,950,000	0.10	1,000,000
Expired ⁽²⁾	0.09	(1,400,000)		
Outstanding, end of period	\$0.08	2,550,000	\$0.10	1,000,000
Weighted average remaining contractual life (years)	4.40		4.41	
Exercisable, end of period	\$0.08	2,550,000	\$0.10	1,000,000

⁽¹⁾ In April 2025, the Corporation granted 200,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.05, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$9,875 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.05 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 5 years, expected volatility: 221%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

In December 2024, the Corporation granted 500,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.08, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$39,942 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.08 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 5 years, expected volatility: 282.77%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

In November 2024, the Corporation granted 650,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.08, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$51,924 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.08 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 5 years, expected volatility: 282.71%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

In September 2024, the Corporation granted 1,600,000 incentive stock options to officers, directors, and consultants to purchase common shares at an exercise price of \$0.075, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$79,995 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.05 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 5 years, expected volatility: 360%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

In March 2023, the Corporation issued 1,000,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.10. The estimated fair value, with a five-year term and immediate vesting, was \$33,000 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.043 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 4.30%, term: 2 years, expected volatility: 276%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

(2) In Q3 2025, 450,000 stock options expired unexercised. In Q4 2025, an additional 950,000 stock options expired unexercised.

7. Income taxes

The Corporation's effective tax rate, which differs from the combined federal and provincial statutory income tax rates for the year ended April 30, 2025 (26.5%) and 2024 (26.5%), has been reconciled as follows:

Year ended April 30,	2025	2024
	\$	\$
Loss before income taxes	(479,095)	(965,414)
Expected income tax recovery	(126,960)	(255,835)
Increase (decrease) in income tax resulting from:		
Non-deductible expenses and other	53,460	-
Tax benefits not recognised	73,500	255,835
	-	-
Tax benefits not recognized	-	-
Deferred tax (recovery)	-	-
Composition of deferred taxes in the income statement		
Origination and reversal of tax benefits	(73,500)	(255,835)
Temporary difference not recognized	73,500	255,835
	-	-

As at April 30, 2025 and April 30, 2024, the Company has the following deductible temporary differences for which no deferred tax asset has been recognized:

Year ended April 30,	2025	2024
	\$	\$
Issuance costs and other	50,115	37,276
Exploration and evaluation assets	1,025,558	980,292
Non-capital losses	1,233,728	984,137
Unrecognized deductible temporary differences	2,309,401	2,001,705

The Corporation has non-capital losses of \$1,234,000 (2024: \$984,000) available for deduction against future taxable income, the balances of which will expire as follows:

Year ended April 30,	2025	2024
Year of expiry	\$	\$
2040	14,000	14,000
2042	301,000	301,000
2043	302,000	302,000
2044	367,000	367,000
2045	250,000	n/a
	1,234,000	984,000

The potential tax benefit of the above losses has not been recognized in these financial statements.

8. Related party transactions

The Corporation paid fees of \$82,080 for the year ended April 30, 2025 (April 30, 2024: \$Nil) to a current officer for President and CEO services provided to the Corporation under an ongoing consulting agreement. The Corporation paid fees of \$90,000 for the year ended April 30, 2025 (April 30, 2024: \$195,167) to a former officer for President and CEO services provided to the Corporation under a consulting agreement which ended in fiscal Q2 2025.

A total of 2,050,000 stock options were issued to current and former officers and directors during the year ended April 30, 2025, with an estimated fair value of \$136,738, using the Black Scholes valuation model.

In November 2024, the Corporation issued 5,300,000 common shares ("Shares") to settle \$265,000 in debt. A total of 5,060,000 Shares were issued to the former President and CEO and 240,000 Shares to a former director. A former director subscribed for \$7,500 or 150,000 units of the private placement financing completed in November 2024.

These transactions, entered in the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

9. Financial instruments and risk management

The Corporation's financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the Corporation's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Corporation's financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through identifying risk appropriately, aligning risk with overall scientific research and experimental development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The carrying values for primary financial instruments, including cash and equivalents, receivables, and accounts payable and accrued liabilities approximate fair values due to their short-term maturities. The Corporation's exposure to potential loss from financial instruments relates primarily to its cash and equivalents held with Canadian financial institutions.

There have been no major or significant changes that have had an impact on the overall risk assessment of the Corporation during the year. The objectives and strategy for the scientific research and experimental development portfolio remain unchanged.

The Corporation's mineral exploration and development activities expose it to the following financial risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Corporation's exposure to credit risk is concentrated in four specific areas: the credit risk on operating balances including interest receivable on short term deposits, and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets. No provision against these credit risk areas has been recognized in these financial statements.

The aggregate gross credit risk exposure at April 30, 2025 was \$105,582 (April 30, 2024: \$91,472), and was comprised of \$99,772 (April 30, 2024: \$19,621) in cash held with Canadian financial institutions with a "AA-" credit rating, and \$5,810 (April 30, 2024: \$71,851) in receivables.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Corporation's primary market risk exposures, and how those exposures are currently managed, follows:

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Corporation's financial assets and liabilities and operating costs are principally denominated in Canadian dollars. The Corporation has historically had insignificant operations in United States ("US") dollars. The Corporation has no US dollar hedging program due to its minimal exposure to financial gain or loss as a result of foreign exchange movements against the Canadian dollar.

Commodity price risk

Commodity prices, and in particular hydrogen, ethanol, heating pellets, and electricity prices, fluctuate and are affected by factors outside of the Corporation's control. This risk is not applicable as the Corporation is not currently in commercial production. The current and expected future spot prices have a significant impact on the market sentiment for investment and may impact the Corporation's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's interest rate risk is minimal as there are no outstanding loans or interest-bearing debts. The Corporation has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Corporation maintains principally all its assets in cash and equivalents.

The Corporation's liabilities were \$240,662 at April 30, 2025 (April 30, 2024: \$579,989) and includes accounts payable due in the normal course of \$185,662 (April 30, 2024: \$280,390) and accrued liabilities of \$55,000 (April 30, 2024: \$299,559).

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date. Where the counterparty has a choice of when an amount is paid, the liability has been included on the earliest date on which payment can be required.

10. Subsequent events

In May 2025 the Corporation announced a non-binding letter of intent to acquire all the issued and outstanding shares of *ReSolve Energie Inc.* ("ReSolve"), a private company with leading hydrogen and biofuel technology. This transaction, if completed, would result in a 100% interest (from 49.9%) in the newly created *ReSolve Hydrogen Inc.* and a 100% interest in the biofuel technology including all related intellectual property and related patent pending filings.

ReSolve has developed an innovative suite of technology that transforms residual bark and other biomass (such as corn crop residual biomass) into high performance renewable fuels including second-generation ethanol and lignin pellets, in addition to electricity.

QNB METALS INC

Notes to the Financial Statements
For the year ended April 30, 2025



QNB's name is expected to change to *ReSolve Energy Inc.* with an updated ticker, and the business of ReSolve Energie is expected to continue in two distinct business segments: biofuel and hydrogen. QNB common shares are expected to be consolidated at a rate of 1:5 concurrently with this transaction. QNB common shares issued to former ReSolve shareholders are expected to be subject to resale restrictions and released upon the achievement of key milestones. Trading in the common shares of QNB is expected to be halted once this letter of intent is made binding and the listing statement is filed and will remain halted pending the satisfaction of all applicable requirements of the CSE. There can be no assurance on when trading of common shares of QNB will resume but it is expected to resume upon approval by the CSE of the listing statement and other necessary filings.

Schedule B
MD&A of QNB for the year ended April 30, 2025

See attached.

This Management Discussion and Analysis (“MD&A”) provides a discussion and analysis of the financial condition and results of operations of QNB Metals Inc. (“QNB” or the “Corporation”) to enable a reader to assess material changes in the financial condition and results of operations of the Corporation as at and for the year ended April 30, 2025 and should be read in conjunction with the annual financial statements and notes thereto for the year ended April 30, 2025 and 2024. All amounts included in this MD&A are in Canadian Dollars, the Corporation’s functional currency.

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The Corporation operates in one segment defined as the cash generating unit which is Canada.

This MD&A has an effective date of July 4, 2025, the date this MD&A was reviewed by the Audit Committee and approved by the Board of Directors.

Additional information relating to the Corporation can be found on SEDAR at www.sedarplus.com.

The MD&A is presented in the following sections:

Page 1	Forward-Looking/Safe Harbour Statement and Fair Disclosure Statement
Page 2	Outlook, Corporate Overview
Page 3	Exploration Highlights
Page 3	Financial Review
	Operating Results, Financial Position
	Liquidity and Capital Resources
Page 6	Off-Balance Arrangements, Transactions with Related Parties
Page 7	Disclosure Controls and Procedures and Internal Controls over Financial Reporting
Page 8	Critical Accounting Estimates
Page 9	Changes in Accounting Policies, Adoption of New Accounting Standards
Page 9	Recent Accounting Pronouncements
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Page 11	Subsequent Events

FORWARD-LOOKING/SAFE HARBOUR STATEMENT AND FAIR DISCLOSURE STATEMENT

This MD&A may contain certain forward-looking statements concerning the future performance of QNB’s business, its operations and its financial performance and condition, as well as management’s objectives, strategies, beliefs and intentions. These forward-looking statements are based on information currently available to the Corporation and the Corporation provides no assurance that actual results will meet management’s expectations. Forward-looking statements include estimates and statements that describe the Corporation’s future plans, objectives or goals, its ability to access capital, the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and reliance on key personnel, and include words to the effect that the Corporation or management expects a stated condition or result to occur. This list is not exhaustive of the factors that may affect any of the Corporation’s forward-looking statements. Statements relating to estimates of resources are also forward-looking statements as they involve risks and assumptions, including but not limited to assumptions with respect to future commodity prices and production economics, that the reserves and resources described exist in the quantities and grades estimated and are capable of economic extraction. Forward-looking statements may be identified by such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. All forward-looking information is inherently uncertain and subject to risks, uncertainties, and a variety of assumptions to address future events and conditions. These and other factors should be considered carefully and readers should not place undue reliance on the Corporation’s forward-looking statements. The Corporation does not undertake to update any forward-looking statement that may be made from time to time by the Corporation or on its behalf, except in accordance with applicable securities laws.

The preliminary assessments contained in the Technical Report referenced in this MD&A, and the estimates contained therein to date are preliminary in nature and are based on a number of assumptions, any one of which, if incorrect, could materially change the projected outcome. Although the Corporation believes that the expectations conveyed by the forward-looking statements are based upon information available on the date that such statements were made, there can be no assurance that such expectations will prove to be correct. All subsequent forward-looking statements, whether written or orally attributable to the Corporation or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements.

OUTLOOK

QNB Metals Inc. is an exploration company committed to identifying and advancing opportunities in the natural resource and clean energy sectors and also holds mineral exploration claims on its *Kingsville Salt Project*.

The Corporation holds a 49.9% interest in *Resolve Hydrogen Inc.* which holds patent pending hydrogen detection and storage/production methodologies from geological sources and a highly prospective land package consisting of 119 mineral exploration claims, across 7 claim blocks, covering 6,613 hectares (66 km²) in Northern Quebec, Canada. The land package is eligible for Quebec super flow through exploration incentives. Fieldwork on these hydrogen claims, with technical support from *Resolve Energie Inc.*, is expected to commence in fiscal 2026.

In May 2025, the Corporation announced a non-binding letter of intent to acquire all the issued and outstanding shares of ReSolve Energie Inc. ("ReSolve"), a private company with leading hydrogen and biofuel technology. This transaction, if completed, would result in a 100% interest (from 49.9%) in the newly created ReSolve Hydrogen Inc. and a 100% interest in the biofuel technology including all related intellectual property and related patent pending filings.

ReSolve has developed an innovative suite of technology that includes the transformation of residual bark and other biomass (such as corn crop residual biomass) into high performance renewable fuels including second-generation ethanol and lignin pellets, and electricity through cogeneration.

QNB's name is expected to change to ReSolve Energy Inc. with an updated ticker, and the business of ReSolve Energie is expected to continue in two distinct business segments: biofuel and hydrogen. QNB common shares are expected to be consolidated at a rate of 1:5 concurrently with this transaction. QNB common shares issued to former ReSolve shareholders are expected to be subject to resale restrictions and released upon the achievement of key milestones. Trading in the common shares of QNB is expected to be halted once this letter of intent is made binding and the listing statement is filed and will remain halted pending the satisfaction of all applicable requirements of the CSE. There can be no assurance on when trading of common shares of QNB will resume but it is expected to resume upon approval by the CSE of the listing statement and other necessary filings.

CORPORATE OVERVIEW

QNB Metals Inc. was incorporated under the Canada Business Corporations Act on October 19, 2020. The Company holds a 49.9% interest in *Resolve Hydrogen Inc.* which holds a highly prospective land package in Ontario and Quebec, using leading patent pending detection and storage technologies and proprietary methodologies, with its joint venture partner who provides technical support and direction, *ReSolve Energie Inc.*

The Corporation also holds the Kingsville Salt Reservoir Project in Nova Scotia. The address of its head office is 2700-1000 rue Sherbrooke West, Montréal Québec, H3A 3G4, Canada. The Corporation's shares trade on the Canadian Securities Exchange ("CSE") under the symbol "TIM".

The Corporation is engaged in the business of acquiring and exploring mineral projects in the hope of locating economic deposits of minerals. QNB holds the Kingsville Salt Project, an exploration project located in the area of Kingsville, on Nova Scotia's Cape Breton Island, approximately 20 km north of the Port Hawkesbury / Point Tupper industrial area in the Strait of Canso. The project is being explored for the presence of a natural reservoir and salt occurrences to capture and store carbon gas for industrial operations.

EXPLORATION HIGHLIGHTS

Management has reviewed different scenarios and opportunities for its Kingsville Salt Project. A National Instrument 43-101 technical report was commissioned and completed during the year ended April 30, 2025 and is on hold pending further investigation. Certain non-essential claims along the southern edge of the property package were allowed to expire in April 2025.

The Corporation incurred exploration and evaluation expenditures of \$16,800 to renew the mining licenses for the Kingsville salt project during the year ended April 30, 2025. No other active exploration activities were undertaken during the period.

The Corporation also paid \$28,466 in exploration and evaluation expenditures related to the staking new land claims in Ontario related to hydrogen exploration.

In exchange for a 49.9% interest in a newly created subsidiary named *Resolve Hydrogen Inc.*, which holds patent pending natural hydrogen detection and storage methodologies and a highly prospective land package consisting of 119 mineral exploration claims covering 6,613 hectares (66 km²) across 7 claim blocks in Northern Quebec, Canada, the Corporation completed the following:

1. In November 2024, the Corporation completed a private placement financing of \$510,000 in gross proceeds and issued 10,200,000 units at a price of \$0.05 per unit comprised of one common share and one purchase warrant exercisable at \$0.075 for eighteen months from closing.
2. In January 2025, the Corporation announced the issuance of four (4) million common shares at a deemed value of \$0.10 and \$50,000 in cash to *Resolve Energie Inc.*, under revised, considerably favorable, terms.

The mineral exploration claims are known to host elevated levels of hydrogen and are eligible for Quebec super flow through exploration incentives. Fieldwork on these *Resolve Hydrogen Inc.* claims, using *Resolve Energie Inc.* technical support, is expected to commence in calendar Q3 2025.

The fair value of the ReSolve Hydrogen Inc. was reported on the Statement of Financial Position at the share price on the date of issuance of \$340,000 less \$40,800, reflecting a Discount for Lack of Marketability (“DLOM”) for the four month exchange hold period. No indicators of impairment were identified as at year end.

FINANCIAL REVIEW

The financial statements, including comparatives, have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future. The Corporation is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there is significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Corporation’s funding initiatives will continue to be successful and the Corporation’s financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material. The Corporation will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

This section discusses significant changes in the Statements of Financial Position, Statements of Changes in Shareholders’ Equity, Statements of Loss, Comprehensive Loss and Deficit, and Statements of Cash Flows for the year ended April 30, 2025.

SELECTED ANNUAL INFORMATION

For the year ended and as at April 30,	2025	2024	2023
Revenue	-	-	-
Loss and comprehensive loss	\$479,095	\$965,414	\$365,876
Loss per share	\$0.01	\$0.05	\$0.04
Total Assets	\$558,649	\$91,472	\$39,734
Total Long-term liabilities	Nil	Nil	Nil

SUMMARY OF QUARTERLY RESULTS

In April 2025, the Corporation granted 200,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.05, with immediate vesting, and a five-year term. The estimated fair value, with a five-year term and immediate vesting, was \$9,875 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.05 per stock option.

In March 2025, *ReSolve Energie Inc.* transferred patent-pending technology and a staked land claims package into a newly created joint venture entity named *ReSolve Hydrogen Inc.* The fair value of the *ReSolve Hydrogen Inc.* was reported on the Statement of Financial Position using the share price at the date of issuance which amounted to \$340,000 less \$40,800 reflecting a DLOM for the four month exchange hold period.

SIGNIFICANT EVENTS DURING 2025

In January 2025, the Corporation issued consideration in the form of 4,000,000 common shares and \$50,000 in cash to *Resolve Energie Inc.* in exchange for a 49.9% interest into *Resolve Hydrogen Inc.*, as further described above under **EXPLORATION HIGHLIGHTS**.

In December 2024, the Corporation granted 500,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.08, with immediate vesting, and a five-year term. The estimated fair value, with a five year term and immediate vesting, was \$39,941 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.08 per stock option.

In November 2024, the Corporation completed a private placement financing of \$510,000 in gross proceeds (the "Financing") and issued 10,200,000 units at a price of \$0.05 per unit ("Units") comprised of one common share and one purchase warrant exercisable at \$0.075 for eighteen months from closing ("Warrants"). The Warrants are subject to an accelerated expiry if the volume weighted average trading price of the common shares is equal to or greater than \$0.10 for a period of ten (10) consecutive trading days ("Accelerated Expiry"). There was a total of \$20,184 in cash finders' and other fees paid and a total of 310,000 Warrants subject to the Accelerated Expiry and 50,000 purchase warrants exercisable at \$0.14 for eighteen months from closing. Insiders subscribed for \$7,500 or 150,000 units of the Financing. Other issue costs were \$10,153.

In November 2024, the Corporation granted 650,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.08, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$51,924 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.08 per stock option.

In November 2024, the Corporation issued 6,100,000 common shares ("Shares") to settle \$305,000 in debt. A total of 5,060,000 Shares were issued to the former President and CEO, 240,000 Shares to a former director, and 800,000 Shares to an arm's length contractor.

In September 2024, the Corporation granted 1,600,000 incentive stock options to officers, directors, and consultants to purchase common shares at an exercise price of \$0.075, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$79,995 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.05 per stock option.

CONSOLIDATED OPERATING RESULTS

This section should be read in conjunction with the Statements of Loss, Comprehensive Loss and Deficit for the year ended April 30, 2025 and the corresponding notes thereto.

The Corporation reported a loss and comprehensive loss of \$479,095 for the year ended April 30, 2025 as compared to \$965,414 for the year ended April 30, 2024. The variation primarily relates to a reduction of \$540,000 in exploration and evaluation expenses, \$181,736 in share-based compensation related to incentive stock options issued to new management and directors, offset by lower management fees and legal and audit fees during for the year ended April 30, 2025.

Exploration and evaluation expenditures were \$45,266 and relates to the staking of new Ontario mineral claims and for mining license renewals for the Kingsville Project for the year ended April 30, 2025 as compared to \$585,221 for the year ended April 30, 2024. Share based compensation charges related to stock options were \$181,736 for the year ended April 30, 2025 as compared to \$NIL for the year ended April 30, 2024. Management fees dropped to \$82,080 for the year ended April 30, 2025 as compared to \$195,167 for the year ended April 30, 2024. General & administration expenses were \$55,748 for the year ended April 30, 2025 down from \$32,040 for the year ended April 30, 2024. Legal and audit expenses were \$94,265 for the year ended April 30, 2025 down from \$152,986 for the year ended April 30, 2024.

FINANCIAL POSITION

This section should be read in conjunction with the Statements of Financial Position and Statements of Changes in Shareholders' Equity as at April 30, 2025 and the corresponding notes thereto.

Assets

The current assets were \$209,449 at April 30, 2025 as compared to \$91,472 at April 30, 2024. Cash in bank was \$99,772 at April 30, 2025 as compared to \$19,621 at April 30, 2024 reflecting the net proceeds from the private placement completed in November 2024 less amounts paid to extinguish accounts payable. Receivables were \$5,810 at April 30, 2025 as compared to \$Nil as at April 30, 2024. Sales taxes recoverable was \$103,867 at April 30, 2025 as compared to \$71,851 at April 30, 2024. Exploration and evaluation expenditures are expensed to the Statements of Loss, Comprehensive Loss and Deficit.

Liabilities

Liabilities were \$240,662 at April 30, 2025 as compared to \$579,989 at April 30, 2024 and was comprised of accounts payable and accrued liabilities. Accounts payable of \$185,661 was payable in the normal course as was \$55,000 in accrued liabilities.

Shareholders' equity (deficit)

Shareholders' equity was \$317,987 at April 30, 2025 as compared to a deficit of \$488,517 at April 30, 2024. The change is primarily due to private placement financing completed in November 2024 for \$510,000 and related warrant reserve increase of \$338,439, the \$181,736 in share-based compensation related to incentive stock options issued to new management and directors, the 400,000 common shares issued for the Interest in ReSolve Hydrogen Inc., and the \$305,000 in share for debt settlement, all offset by the loss and comprehensive loss of \$479,095 for the year ended April 30, 2025.

LIQUIDITY AND CAPITAL RESOURCES

This section should be read in conjunction with the Statements of Financial Position as at April 30, 2025 and the corresponding notes thereto.

The working capital ratio at April 30, 2025 was 0.87 : 1 as compared to working capital ratio of 0.16 : 1 at April 30, 2024. At April 30, 2025, the Corporation held cash and equivalents of \$99,772 (April 30, 2024: \$19,621), receivables of \$5,810 (April 30, 2024: \$Nil), and sales taxes recoverable of \$103,867 (April 30, 2024: \$71,851).

In November 2024, QNB completed a private placement for gross proceeds of \$510,000 through the issuance of 10,200,000 units at a price of \$0.05 per unit, comprised of one common share and one purchase warrant exercisable at \$0.075 for eighteen months from closing.

Current liabilities at April 30, 2025 included accounts payable and accrued liabilities of \$240,662 (April 30, 2024: \$579,989) and related to operating expenses incurred during the year and payable in the normal course and other accruals.

In November 2024, QNB completed a share for debt settlement for \$305,000 of the accounts payable and accrued liabilities through the issuance of 6,100,000 common shares. Creditors included directors, officers and consultants.

The Corporation manages capital, based on its cash and equivalents and ongoing working capital, with an objective of safeguarding the Corporation's ability to continue as a going concern, maximizing the funds invested into exploration activities, exploring its projects, and considering additional financings which minimize shareholder dilution. There were no changes in the Corporation's approach to capital management during the year ended April 30, 2025.

The Corporation's capital structure reflects a company focused on mineral exploration and financing both internal and external growth opportunities. The exploration for and development of mineral deposits involves significant risk which even a combination of careful evaluation, experience and knowledge may not adequately mitigate.

The Corporation manages capital in proportion to risk and manages its mineral projects and capital structure based on economic conditions and prevailing commodity pricing and trends. The Corporation relies on equity financings to maintain adequate liquidity to support its ongoing exploration and development activities and ongoing working capital commitments. QNB has not earned significant revenues to date. As a result, the most meaningful information concerning the Corporation's financial position relates to its liquidity and solvency position. The Corporation raises funds for its operations primarily through the issuance of common shares.

The Corporation believes that it has sufficient working capital to meet its current obligations and currently planned operating costs and expenditures on its mineral projects. The Corporation intends to strategically advance its mineral projects by way of additional exploration programs. QNB intends to seek additional capital resources, when required, from equity financings, including flow-through, as market conditions permit. Although the Corporation has been successful in the past in raising funds, there can be no assurance that any funding required by the Corporation in the future will be available to it and, if such funding is available, that it will be offered on reasonable terms. In the event the Corporation is unsuccessful at raising such funds, it may not be able to continue as a going concern. QNB has no material commitments or contractual obligations with respect to the development of any mineral projects beyond those that would be considered as part of normal business.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The Corporation paid fees of \$82,080 for the year ended April 30, 2025 (April 30, 2024: \$Nil) to a current officer for President and CEO services provided to the Corporation under an ongoing consulting agreement. The Corporation paid fees of \$90,000 for the year ended April 30, 2025 (April 30, 2024: \$195,167) to a former officer for President and CEO services provided to the Corporation under a consulting agreement which ended in fiscal Q2 2025.

A total of 2,050,000 stock options were issued to current and former officers and directors during the year ended April 30, 2025 with an estimated fair value of \$136,738, using the Black Scholes valuation model.

In November 2024, the Corporation issued 6,100,000 common shares ("Shares") to settle \$305,000 in debt. A total of 5,060,000 Shares were issued to the former President and CEO and 240,000 Shares to a former director. A former director subscribed for \$7,500 or 150,000 units of the private placement financing completed in November 2024.

These transactions, entered into the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), as appropriate, to permit timely decisions regarding public disclosure. The CEO and CFO have, as at April 30, 2025, designed Disclosure Controls and Procedures as defined in National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings of the Canadian Securities Administrators, or caused them to be designed under their supervision, to provide reasonable assurance that material information relating to the Corporation, disclosed in its annual and interim filings, is reported within the respective time periods specified under securities legislation. The Corporation's CEO and CFO have each evaluated the design and effectiveness of the Corporation's disclosure controls and procedures and have concluded that they are operating effectively as at April 30, 2025.

Internal Control over Financial Reporting

The CEO and CFO are responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of the CEO and CFO, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Based on a review of its internal control procedures at the end of the year covered by this MD&A, the CEO and CFO have concluded that the internal controls and procedures are appropriately designed and effective, in all material respects, as at April 30, 2025.

Management works to mitigate the risk of a material misstatement in financial reporting; however, a control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, including the possibility of human error and the circumvention or overriding of the controls and procedures by an individual or groups of individuals acting in collusion, they cannot provide absolute assurance that all control issues and instances of fraud, if any, have been prevented or detected. Due to inherent limitations, internal controls over financial reporting and disclosure may not prevent or detect all misstatements. Management will continue to monitor the

effectiveness of its internal control over financial reporting and disclosure controls and procedures and may make modifications from time to time as considered necessary.

There were no changes to the Corporation's internal controls during 2025 that have materially affected, or are likely to materially affect, the internal controls over financial reporting or disclosure controls and procedures. The CEO and CFO will continue to monitor the effectiveness of the internal controls over financial reporting and disclosure controls and procedures and will make changes to the controls as and when appropriate.

CRITICAL ACCOUNTING ESTIMATES

QNB's significant accounting policies are summarized in note 4 to the financial statements for the year ended April 30, 2025. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Significant areas requiring the use of management estimates include, but are not limited to, the determination of carrying value of exploration and evaluation assets, the valuation of share-based compensation transactions, the valuation of purchase warrants issued on financings, deferred income tax assets and liabilities, and accrued liabilities and contingencies. Estimates and assumptions are regularly evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ from these estimates.

The following are the areas involving estimates made in the process of applying the Corporation's accounting policies that have a significant effect on the amounts recognized in the financial statements.

Share based payments

Management measures the fair value of granted stock options using the Black-Scholes option valuation model. The fair value of stock options using valuation models is only an estimate of their potential value and requires the use of estimates and assumptions.

Exploration and evaluation expenditures

The application of the Corporation's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale of the property, or where exploration activities are not adequately advanced to support a resource assessment. The determination is an estimation process that requires varying degrees of uncertainty and these estimates directly impact the deferral of exploration and evaluation expenditures.

Impairment of long-lived assets

The carrying amounts of exploration and evaluation assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. If there are indicators of impairment, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount. Such review is undertaken on a property by property basis. The assessment requires the use of estimates and assumptions such as, but not limited to, long-term commodity prices, future capital requirements, resource estimates, and exploration potential. It is possible that the actual fair value could be significantly different from those assumptions, and changes in these assumptions will affect the recoverable amount of the exploration and evaluation assets.

Decommissioning and restoration provision

The Corporation records the fair value of estimated costs of legal and constructive obligations required to restore operating locations in the year in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation, and re-vegetation of affected areas.

The estimated fair value of a liability, and corresponding increase in the related property, is reported in the year in which it is incurred and when a reasonable estimate of fair value can be made. The fair value is the amount at which that liability could be settled in a current transaction between willing parties, that is, other than in a forced or liquidation transaction and, in the absence of observable market transactions, is determined as the present value of expected cash flows. The Corporation subsequently allocates the cost to expense using a systematic and rational method over its useful life, and records the accretion of the liability as a charge to the Statement of Loss, Comprehensive Loss and Deficit.

As the Corporation has not commenced construction and development of any mining operations, it does not have any provisions for decommissioning or restoration costs.

Contingent Liabilities

Contingent liabilities are not recognized in the financial statements unless estimable and probable and are disclosed in notes to the financial statements unless their occurrence is remote. By their nature, contingent liabilities will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

CHANGES IN ACCOUNTING POLICIES / ADOPTION OF NEW ACCOUNTING STANDARDS

There were changes in accounting policies during the year.

New Accounting Policies Not Yet Adopted

The Corporation has not yet adopted certain new standards, amendments and interpretations to existing standards effective for accounting periods beginning on or after October 1, 2024 or later periods. The new and amended standards are not expected to have a material impact on the Corporation except for the below standards.

IFRS 9: *Financial Instruments* requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard also provides guidance on the derecognition of financial liabilities, which can impact bank reconciliation processes, especially during debt restructuring.

Amendments to IFRS 9 and IFRS 7: *Financial Instruments, Disclosures*, effective for reporting periods beginning on or after January 1, 2026, address classification and measurement of financial instruments. The Corporation is assessing the impact of these amendments on its financial statements.

IFRS 18: *Presentation and Disclosure in Financial Statements* aims to improve the consistency and clarity of financial statement presentation and disclosure by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Corporation is currently assessing the impact on its financial statements.

RECENT ACCOUNTING PRONOUNCEMENTS

IAS 21: The Effects of Changes in Foreign Exchange Rates

IAS 21 outlines how to account for transactions in foreign currencies and how to translate financial statements of foreign operations into a presentation currency and is effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted. The amendment addresses situations where a foreign currency is not exchangeable into another currency (e.g., due to government restrictions or illiquidity in the market). It provides a definition of exchangeability, guidance on determining the exchange rate to use when exchangeability is temporarily or permanently

lacking and required disclosures to enhance transparency. The Corporation is currently evaluating the impact of this amendment which is not expected to have a material impact on the financial statements.

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Corporation. Management anticipates that all of the pronouncements will be adopted in the Corporation's accounting policy for the first period beginning after the effective date of each pronouncement.

Information on new standards, amendments and interpretations have been issued but are not expected to have a material impact on the financial statements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Corporation's financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the Corporation's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Corporation's statement of financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through identifying risk appropriately, aligning risk with overall exploration and development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received. Subsequent to initial recognition, fair value is determined by management using available market information or other valuation methodologies.

The fair value of cash and equivalents, receivables, and accounts payable and accrued liabilities, approximate their carrying amounts due to their short-term maturities.

There have been no major or significant changes that have had an impact on the overall risk assessment of the Corporation during the period. The objectives and strategy for the exploration and evaluation assets remains unchanged.

The Corporation's exploration and development activities expose it to the following financial risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's exposure to credit risk is concentrated in three specific areas: the credit risk on operating balances including other receivables and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets.

The aggregate gross credit risk exposure at April 30, 2025 was \$105,582 (April 30, 2024: \$91,472), and was comprised of \$99,772 (April 30, 2024: \$19,621) in cash held with Canadian financial institutions with a "AA-" credit rating, and \$5,810 (April 30, 2024: \$71,851) in receivables.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Corporation's primary market risk exposures, and how those exposures are currently managed, follows:

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Corporation's financial assets and liabilities and operating costs are principally denominated in Canadian dollars. The Corporation has historically had insignificant operations in United States ("US") dollars. The Corporation has no US dollar hedging program due to its minimal exposure to financial gain or loss as a result of foreign exchange movements against the Canadian dollar.

Commodity price risk

Commodity prices, and in particular commodity spot prices, fluctuate and are affected by factors outside of the Corporation's control. This risk is not applicable as the Corporation is not currently in commercial production. The current and expected future spot prices have a significant impact on the market sentiment for investment in mineral exploration companies and may impact the Corporation's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's interest rate risk is minimal as there are no outstanding loans or interest-bearing debts. The Corporation has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Corporation maintains principally all its assets in cash and equivalents.

The Corporation believes that its cash position provides adequate liquidity to meet the Corporation's near-term obligations, subject to unforeseen circumstances.

CONTINGENT LIABILITIES

Governmental laws and regulations regarding environmental protection regulate the Corporation's operations. The environmental consequences are not easily identifiable, either in terms of results, the impacts or the expiration date. Currently, and to the best knowledge of its management, the Corporation is in conformity with current laws and regulations.

OUTSTANDING SHARE DATA

As at April 30, 2025, the Corporation had a total of 46,749,961 (April 30, 2024: 26,449,961) common shares outstanding, 2,550,000 (April 30, 2024: 1,000,000) stock options outstanding at an average exercise price of \$0.08 per share (April 30, 2024: \$0.10), and 12,350,000 purchase warrants and 360,000 broker warrants exercisable between \$0.075 - \$0.40 and expiring June 2025, October 2025 and May 2026 (April 30, 2024: 2,150,000 purchase warrants, \$0.16 - \$0.40, June 2025, October 2025). Additional details are available in note 5 to the annual financial statements for the year ended April 30, 2025.

SUBSEQUENT EVENTS

In May 2025, the Corporation announced a non-binding letter of intent to acquire all the issued and outstanding shares of ReSolve Energie Inc. ("ReSolve"), a private company with leading hydrogen and biofuel technology. This transaction, if completed, would result in a 100% interest (from 50.1%) in the newly created ReSolve Hydrogen Inc. and a 100% interest in the biofuel technology including all related intellectual property and related patent pending filings.

ReSolve has developed an innovative suite of technology including the transformation of residual bark and other biomass (such as corn crop residual biomass) into high performance renewable fuels including second-generation ethanol and lignin pellets, and electricity.

QNB's name is expected to change to ReSolve Energy Inc. with an updated ticker, and the business of ReSolve Energie is expected to continue in two distinct business segments: biofuel and hydrogen. QNB common shares are expected to be consolidated at a rate of 1:5 concurrently with this transaction. QNB common shares issued to former ReSolve shareholders are expected to be subject to resale restrictions and released upon the achievement of key milestones. Trading in the common shares of QNB is expected to be halted once this letter of intent is made binding and the listing statement is filed and will remain halted pending the satisfaction of all applicable requirements of the CSE. There can be no assurance on when trading of common shares of QNB will resume but it is expected to resume upon approval by the CSE of the listing statement and other necessary filings.

Schedule C
Audited Annual Financial Statements of ReSolve for the year ended February 28, 2025 and Reviewed Annual
Financial Statements of ReSolve for the year ended February 29, 2024

See attached.



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ROSS
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July 25, 2025
Edmonton, Alberta

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ReSolve Energy Inc.

Opinion

We have audited the financial statements of ReSolve Energy Inc. (the Company), which comprise the statements of financial position as at February 28, 2025, and the statements of income (loss), comprehensive income (loss) and deficit, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2025, and the financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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 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 Relating to Going Concern

We draw your attention to Note 1 in the financial statements, which discusses the financial challenges the Company is facing. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists 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.

Other Matter

The previously issued audited financial statements for the year ended February 28, 2025, dated June 20, 2025, were retracted and reissued as the comparative figures were previously compiled but have now been subject to a review to comply with the filing requirements related to a public listing, as disclosed in Note 12 to the financial statements. There were no changes to the previously reported balances in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor's report thereon, which includes listing statements.

(continues)

Independent Auditor's Report to the Shareholders of ReSolve Energy Inc. *(continued)*

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 the listing statement prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. 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, 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.

(continues)

Independent Auditor's Report to the Shareholders of ReSolve Energy Inc. *(continued)*

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Kingston Ross Pasmak LLP
Kingston Ross Pasmak LLP
Chartered Professional Accountants



RESOLVE ENERGIE INC.

Statements of Financial Position

Expressed in Canadian dollars (unless otherwise noted)

As at	Notes	<i>Unaudited</i>	
		February 28 2025	February 29 2024
		\$	\$
Current assets			
Cash and equivalents		-	2,256
Sales taxes recoverable		-	4,542
Total current assets		-	6,798
Interest in ReSolve Hydrogen Inc.	4	451,804	-
Marketable securities	4	200,000	-
Property, plant and equipment	5	207,278	259,098
Total assets		859,082	265,896
Current liabilities			
Bank overdraft		8,123	-
Accounts payable and accrued liabilities		34,678	38,278
Sales taxes payable		373	-
Payroll and wage levies payable		7,394	6,328
Due to related party	9	-	46,500
Total current liabilities		50,568	91,106
<i>Going concern</i>	1		
<i>Subsequent events</i>	12		
Shareholders' equity			
Capital stock	6	6,901,882	6,814,382
Deficit		(6,093,368)	(6,639,592)
Total shareholders' equity		808,514	174,790
Total liabilities and shareholders' equity		859,082	265,896

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board of Directors:

(signed) Andre Proulx

Andre Proulx, Director

(signed) Xavier Duret

Xavier Duret, Director



RESOLVE ENERGIE INC.

Statements of Changes In Shareholders' Equity
Expressed in Canadian dollars (unless otherwise noted)

	Notes	Capital Stock		Other		Shareholders' Equity
		Shares	\$	Accumulated Comprehensive	Deficit	
Balance as at February 29, 2024		21,904,370	6,814,382	-	(6,639,592)	174,790
Share based compensation		250,000	87,500			87,500
Income (loss) and comprehensive income (loss)					546,224	546,224
Balance as at February 28, 2025		22,154,370	6,901,882	-	(6,093,368)	808,514
<i>Unaudited</i>						
Balance as at February 28, 2023		21,249,370	6,585,132	-	(6,200,063)	385,069
Share based compensation		655,000	229,250			229,250
Income (loss) and comprehensive income (loss)					(439,529)	(439,529)
Balance as at February 29, 2024		21,904,370	6,814,382	-	(6,639,592)	174,790

The accompanying notes are an integral part of these financial statements.



RESOLVE ENERGIE INC.

Statements of Income (Loss), Comprehensive Income (Loss) and Deficit

Expressed in Canadian dollars (unless otherwise noted)

For the years ended	Notes	Unaudited	
		February 28 2025 \$	February 29 2024 \$
Other Income			
Government grants	6	75,375	106,616
Rental income		76,001	-
		151,376	106,616
Expenses			
Share-based compensation	6	87,500	229,250
Wages and benefits		70,066	92,122
Depreciation - property plant and equipment	5	51,820	72,596
Research and development - pilot plant		14,473	1,492
Rent and utilities		74,531	77,850
General & administration		5,586	58,363
Legal & audit		2,980	14,472
		306,956	546,145
Loss before other items		(155,580)	(439,529)
Other items			
Gain on sale of hydrogen intellectual property	4	901,804	-
Loss on marketable securities	4	(200,000)	-
Income (loss) and comprehensive income (loss)		546,224	(439,529)
Deficit - beginning of year		(6,639,592)	(6,200,063)
Deficit - end of year		(6,093,368)	(6,639,592)
Income (loss) per share (basic and diluted)	8	\$0.02	(\$0.02)
Weighted average outstanding shares	8	22,154,370	21,904,370

The accompanying notes are an integral part of these financial statements.



RESOLVE ENERGIE INC.

Statements of Cash Flows

Expressed in Canadian dollars (unless otherwise noted)

As at	Notes	Unaudited	
		February 28 2025	February 29 2024
		\$	\$
Operating activities			
Income (loss)		546,224	(439,529)
Add: non-cash items			
Share-based compensation	6	87,500	229,250
Depreciation - property plant and equipment	5	51,820	72,596
Gain on sale of hydrogen intellectual property	4	(901,804)	-
Loss on marketable securities	4	200,000	-
Net change in non-cash working capital balances			
Prepaid expenses		-	6,116
Sales taxes recoverable (payable)		4,915	26,350
Accounts payable and accrued liabilities		(3,600)	68,536
Payroll and wage levies payable		1,066	(3,518)
Due to related party		(46,500)	35,635
Cash used in operating activities		(60,379)	(4,564)
Investing activities			
Sale of hydrogen intellectual property	4	50,000	-
Cash used in investing activities		50,000	-
Net increase (decrease) in cash and equivalents			
		(10,379)	(4,564)
Cash and equivalents, beginning of year		2,256	6,820
Cash (Bank overdraft) and equivalents, end of year		(8,123)	2,256

The accompanying notes are an integral part of these financial statements.

1. Nature of operations and going concern

Nature of operations

ReSolve Energie Inc. ("Resolve" or the "Corporation") is a private company incorporated under Canadian federal charter on December 17, 2015. Resolve business activities is primarily focused on its patent pending biofuel generation technology, through the advancement of related intellectual property and scientific research and experimental development.

The Corporation's registered office is 4690 rue Roberge, Lac-Mégantic, Quebec, G6B 2V9. Resolve is an advanced scientific research and experimental development company with patent pending biofuel generation technology that is advancing to full commercialization.

Going concern

These annual financial statements, including comparatives, have been prepared using *International Financial Reporting Standards* ("IFRS") applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from February 28, 2025.

The Corporation is subject to risks and challenges similar to companies in a comparable stage of scientific research and experimental development. As a result of these risks, there exist material uncertainties that cast significant doubt on the Corporation's ability to continue as a going concern. There is no assurance that the Corporation's funding initiatives will continue to be successful and these annual financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

The Corporation will have to qualify for additional government grants and/or raise additional funds to advance its scientific research and experimental development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

See note 12. Subsequent Events for related information.

2. Basis of Presentation

Statement of Compliance

These annual financial statements have been prepared in accordance with *International Financial Reporting Standards* ("IFRS") as issued by the *International Accounting Standards Board* ("IASB") and as adopted by the *Canadian Accounting Standards Board* ("AcSB").

The annual financial statements comply with all applicable requirements of IFRS, including all *International Accounting Standards* ("IAS") and *Interpretations issued by the IFRS Interpretations Committee* ("IFRIC") and its predecessor, the *Standing Interpretations Committee* ("SIC"), that are effective as at the reporting date.

The financial statements were authorized for issue by the Board of Directors on June 20, 2025.

Basis of Measurement

These annual financial statements have been prepared under the historical cost convention, except for certain financial instruments measured at fair value, as set out in the accounting policies in note 3. The Company's presentation currency and functional currency is the Canadian Dollar.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Corporation's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

3. Material accounting policy information

The principal accounting policies have been consistently applied to all years and are set out below:

Foreign currency translation

Monetary assets and liabilities denominated in a foreign currency are translated to Canadian dollars at exchange rates in effect at the balance sheet date and non-monetary assets and liabilities are translated at rates of exchange in effect when the assets were acquired or obligations incurred. Revenues and expenses are translated at rates in effect at the time of the transactions. Foreign exchange gains and losses are included in the Statements of Loss and Comprehensive Loss, except for differences arising on the translation of available for sale equity instruments that are recorded in other accumulated comprehensive income

Financial instruments

a) **Classification**

Financial Assets/Liabilities	Classification
Cash (Bank Overdraft) and cash equivalents	Financial asset (liabilities) at amortized cost
Marketable Securities	Financial asset at fair value
Accounts payable and accrued liabilities	Financial liabilities at amortized cost
Payable to a related party	Financial liabilities at amortized cost

The Corporation determines the classification of financial assets at initial recognition. The classification of its instruments is driven by the Corporation's business model for managing the financial assets and their contractual cash flow characteristics. Financial assets are recognized at fair value and are subsequently classified and measured at amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). Financial liabilities are recognized initially at fair value, and are subsequently classified and measured at amortized cost, or FVTPL.

b) **Measurement**

Financial assets and liabilities at amortized cost:

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment for a financial asset.

Financial assets and liabilities at FVTPL:

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. 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 the statements of income (loss) and comprehensive income (loss) in the period in which they arise. Where the Corporation has opted to recognize a financial liability at FVTPL, any changes associated with the Corporation's own credit risk will be recognized in other comprehensive income (loss).

Impairment of financial assets at amortized cost

The Corporation recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Corporation measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Corporation measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Corporation recognizes an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Cash (bank overdraft) and cash equivalents

Cash (bank overdraft) and equivalents comprise cash (overdraft) in bank and demand deposits that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Joint Ventures

The Corporation accounts for its interests in joint ventures using the equity method as prescribed by IFRS 11: *Joint Arrangements* and IAS 28: *Investments in Associates and Joint Ventures*.

Under the equity method, investments are initially recognized at cost and subsequently adjusted for the Corporation's share of the joint venture's income (loss) and other comprehensive income (loss), in the Statements of Income (Loss) and Other Comprehensive Income (Loss) and Deficit, respectively. Distributions received from the joint venture reduce the carrying amount of the investment.

Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost includes the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for its intended use. Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of the asset.

Subsequent expenditures are capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the Corporation and the cost can be reliably measured. All other expenditures, including repairs and maintenance, are charged to the Statements of Loss, Comprehensive Loss and Deficit as incurred.

Depreciation is provided on a declining balance basis over the estimated useful lives of the assets as follows:

Plant machinery and equipment	20% declining
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The residual values, useful lives, and depreciation methods are reviewed at least annually, and adjusted prospectively if appropriate.

Gains or losses arising on disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in Statements of Loss, Comprehensive Loss and Deficit.

Leases

The Corporation accounts for leases in accordance with IFRS 16: *Leases*, which requires lessees to recognize most leases on the balance sheet.

Lessees

At the commencement date of a lease, a right-of-use ("ROU") asset and a corresponding lease liability is recognized for all leases with a term of more than 12 months, unless the underlying asset is of low value.

The lease liability is initially measured at the present value of lease payments over the lease term, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Corporation's incremental borrowing rate.

The ROU asset is initially measured at cost considering the initial lease liability, lease payments made at or before the commencement date, initial direct costs, and restoration or dismantling obligations. Subsequently, the ROU asset is depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term and adjusted for any remeasurements of the lease liability.

The lease liability is remeasured when there is a change in events such as changes in lease term, future lease payments resulting from a rate change, or assessment of an option to purchase the underlying asset.

Lessors

Leases where the Corporation acts as lessor are classified as operating leases or finance leases based on the substance of the arrangement. Lease income from operating leases is recognized on a straight-line basis over the lease term unless another basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and that the Corporation will comply with all relevant conditions, in accordance with IAS 20 – *Accounting for Government Grants and Disclosure of Government Assistance*.

Government grants related to income are recognized in profit or loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs that the grants are intended to compensate. Such grants are presented as other income or as a reduction of the related expense, depending on the nature of the grant.

Government grants related to the purchase or construction of property, plant, and equipment are recognized as a reduction of the carrying amount of the asset or as deferred income, which is then recognized in Statements of Income (Loss), Comprehensive Income (Loss) and Deficit on a systematic basis over the useful life of the related asset.

Non-monetary grants are measured at fair value and recognized in the same manner as monetary grants.

Scientific Research and Experimental Development (SR&ED) Tax Credits

The Corporation participates in the Canadian government's Scientific Research and Experimental Development ("SR&ED") program, which provides refundable and non-refundable investment tax credits for eligible research and development expenditures.

Refundable SR&ED investment tax credits are recognized when there is reasonable assurance that the Company will comply with the relevant conditions and that the credits will be received in accordance with IAS 20 – *Accounting for Government Grants and Disclosure of Government Assistance*.

The Company recognizes refundable SR&ED tax credits as other income or as a reduction of related research and development expenses, depending on the nature of the underlying costs. The credits are recognized in the same period as the expenditures to which they relate, provided there is sufficient assurance of realization.

SR&ED claims are subject to review and approval by the Canada Revenue Agency ("CRA"), and any adjustments to the recognized amounts are recorded in the period in which they are identified.

Intellectual property and patents

Intellectual property ("IP") is recognized as an intangible asset in accordance with IAS 38 – *Intangible Assets* when it meets the recognition criteria: the asset is identifiable, the entity has control over it, and it is expected to provide future economic benefits.

Internally Developed IP

Expenditures on research activities are expensed as incurred. Development costs are capitalized as intangible assets only when the Corporation can demonstrate all of the following:

- Technical feasibility of completing the intangible asset;
- Intention and ability to complete and use or sell the asset;
- How the asset will generate probable future economic benefits;
- Availability of resources to complete the development;
- Ability to reliably measure the expenditure.

Internally generated intangible assets, including internally developed IP that meets the capitalization criteria, are measured at cost and amortized over their estimated useful lives once the asset is available for use.

Acquired IP

Intellectual property acquired separately or through a business combination is measured initially at cost or, if acquired as part of a business combination, at fair value at the acquisition date. After initial recognition, IP is carried at cost less accumulated amortization and impairment losses, if any.

Amortization is calculated on a straight-line basis over the estimated useful life of the IP, ranging up to 21 years on patented IP, and is reviewed at least annually. Changes in useful life or residual value are accounted for prospectively.

Impairment

Intellectual property is tested for impairment when there is an indication that the asset may be impaired. Impairment losses are recognized in profit or loss.

Revenue Recognition

Revenue is recognized when the transfer of goods or services, in an amount that reflects the consideration the Corporation expects to be entitled to, in exchange for those goods or services. The Corporation recognizes revenue when control of the goods or services is transferred, typically at the point in time when delivery occurs or services are rendered, depending on the nature of the contract.

Rental income from the sublease of space under a month-to-month arrangement is classified as an operating lease, as it does not transfer substantially all the risks and rewards associated with the right-of-use asset. Rental income is recognized in the Statements of Income (Loss), Comprehensive Income (Loss) on a straight-line basis as it is earned, typically monthly, consistent with the terms of the agreement.

Equity***Share capital***

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs.

Purchase for cancellation

When shares are purchased for cancellation, the carrying amount of the shares is recognized as a deduction of share capital. The difference between the purchase price and the carrying amount is charged to contributed surplus and then to deficit for any amounts in excess of total contributed surplus related to repurchased shares.

Share-based payments

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Corporation cannot estimate reliably the fair value of the goods or services received, the Corporation measures their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Corporation measures the fair value of the services received by reference to the fair value of the equity instruments granted.

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in the statement of net loss and comprehensive loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income ("OCI").

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

The Corporation recognizes deferred taxes in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for certain temporary differences and is measured at the tax rates that are expected to be applied they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Basic and diluted loss per share

Basic loss per share is calculated by dividing net loss attributable to common equity holders of the Corporation by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options. When a loss is incurred during a period, basic and diluted loss per share are the same because the exercise of share equivalents is then considered to be anti-dilutive.

Impairment

In assessing impairment, the Corporation must make estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Corporation's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information become available.

Use of Estimates and Judgments

The preparation of these financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The evaluation of the Corporation's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment based on past experience and other assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to note 1 for further information.

Share-based payments

The fair value estimation of share-based compensation is based on the market capitalization per common share of the Corporation, which reflects the deemed value of the scientific research and developmental patent pending technology at the time of issuance. This fair value is unchanged for several years at \$0.35 per share.

New Accounting Policies Not Yet Adopted

The Corporation has not yet adopted certain new standards, amendments and interpretations to existing standards effective for accounting periods beginning on or after October 1, 2024 or later periods. The new and amended standards are not expected to have a material impact on the Corporation except for the below standards.

IFRS 9: *Financial Instruments* requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard also provides guidance on the derecognition of financial liabilities, which can impact bank reconciliation processes, especially during debt restructuring.

Amendments to IFRS 9 and IFRS 7: *Financial Instruments, Disclosures*, effective for reporting periods beginning on or after January 1, 2026, address classification and measurement of financial instruments. The Corporation is assessing the impact of these amendments on its financial statements.

IFRS 18 *Presentation and Disclosure in Financial Statements* aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Corporation is currently assessing the impact on its financial statements.

IAS 21 – *The Effects of Changes in Foreign Exchange Rates*

IAS 21 outlines how to account for transactions in foreign currencies and how to translate financial statements of foreign operations into a presentation currency and is effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted. The amendment addresses situations where a foreign currency is not exchangeable into another currency (e.g., due to government restrictions or illiquidity in the market). It provides a definition of exchangeability, guidance on determining the exchange rate to use when exchangeability is temporarily or permanently lacking and required disclosures to enhance transparency. The Corporation is currently evaluating the impact of this amendment which is not expected to have a material impact on the financial statements.

Canadian Sustainability Disclosure Standards

The Corporation is evaluating the requirements of sustainability-related financial disclosures in accordance with the *Canadian Sustainability Disclosure Standards* (“CSDS”) issued by the *Canadian Sustainability Standards Board* (“CSSB”) in order to comply with related disclosures for CSDS 1: *General Requirements for Disclosure of Sustainability-related Financial Information*, and CSDS 2: *Climate-related Disclosures*.

Given the Corporation’s scientific, research and experimental development technologies are at the pilot stage(s), not commercialization, the Corporation is evaluating both the qualitative and quantitative information required in developing these disclosures, and where appropriate, the development of reasonable estimates and assumptions based on currently available information that could reasonably be expected, in future, to affect the Company’s cash flows, access to finance, or cost of capital over the short, medium, or long term.

4. Interest in Joint Venture

In January 2025, the Corporation finalized a joint venture agreement with QNB Metals Inc. (“QNB”). In exchange for total consideration of i) 4,000,000 common shares of QNB at a deemed value of \$0.10 and ii) a \$50,000 cash payment from QNB, QNB was granted a 49.9% interest (the Corporation retained 50.1%) in a newly created corporation named ReSolve Hydrogen Inc. (“RHI”), into which the Corporation transferred three patent-pending technologies on hydrogen detection and storage/production and 119 mineral exploration claims across 7 claim blocks, covering 6,613 hectares (66 km²) in Northern Quebec (the “Land Claims”).

The Investment in ReSolve Hydrogen Inc. (“RHI”), over which the Corporation has joint control, is reported using the equity method of accounting. Under the equity method, the investment is initially recognized at cost and subsequently adjusted for the Corporation’s share of the associate’s net income (loss), and other comprehensive income (loss).

As at February 28, 2025, the carrying amount of the investment was \$451,804. Given no operations in RHI since inception in January 2025, there was no equity pickup as there was no income (loss) in RHI. No indicators of impairment were identified during the reporting period.

The QNB common shares were reported as Marketable Securities at an initial fair value of \$400,000 on the Statement of Financial Position and subsequently reported a mark-to-market loss of \$200,000 as at February 28, 2025, reflecting a decline in share price of QNB, that was reported on the Statements of Income (Loss), Comprehensive Income (Loss) and Deficit. The transfer of the hydrogen intellectual property and land claims was reported as a gain on sale of \$901,804 on the Statements of Income (Loss), Comprehensive Income (Loss) and Deficit.

5. Property, plant and equipment

Property plant and equipment details are as follows:

Year	Cost			Accumulated Depreciation			Net Book Value
	Opening	Additions / Dispositions	Closing	Opening	Additions / Dispositions	Closing	
February 28, 2025	\$ 504,818	\$ -	\$ 504,818	\$ 245,720	\$ 51,820	\$ 297,540	\$ 207,278
February 29, 2024	\$ 504,818	\$ -	\$ 504,818	\$ 173,124	\$ 72,596	\$ 245,720	\$ 259,098

There were no disposals and no indications of impairment of the property, plant and equipment during the year ended February 28, 2025 (2024: \$Nil).

6. Capital stock

Authorized share capital

The Company may issue an unlimited number of voting Class A Shares with no par value (“Common Shares”) and an unlimited number of non-voting Class B shares, with priority over Class A Shares on any dissolution or winding-up of the Corporation as is relates to the reimbursement of amounts paid for such Class B shares, and payment of any declared and unpaid dividends. Class B Shares do not confer any right to additional profit or asset participation.

Shared-based compensation

In fiscal 2025, the Corporation issued \$87,500 (2024: \$229,250) in share-based compensation at a deemed value of \$0.35 (2024: \$0.35) per Common Share (“Share”) or 250,000 Shares (2024: 655,000 Shares) that was reported on the Statements of Income (Loss), Comprehensive Income (Loss) and Deficit.

Grants and Scientific Research and Experimental Development (“SR&ED”) tax credits

During the year ended February 28, 2025, the Corporation received \$9,375 in grants related to a cleantech energy program and also received \$66,000 (F2024: \$72,000) in municipal grants. These amounts were recognized as Other Income on the Statements of Income (Loss), Comprehensive Income (Loss) and Deficit.

During the year ended February 28, 2025, the Corporation did not receive any refundable and non-refundable SR&ED investment tax credits related to eligible research and development activities during the period.

7. Income taxes

The Corporation’s effective tax rate, which differs from the combined federal and provincial statutory income tax rates for the year ended February 28, 2025 (26.5%) and 2024 (26.5%), has been reconciled as follows:

Year ended February 28	2025 \$	2024 \$
Income tax (recovery) at statutory rates	144,749	(116,475)
Increase (decrease) related to:		
Gain on sale of hydrogen intellectual property	(238,978)	-
Government grants	(2,484)	(28,253)
Shared based compensation	23,188	60,751
Provision - mark to market	53,000	-
Other	9,015	19,039
	(11,511)	(64,938)
Valuation allowance	11,511	64,938
Income tax expense (recovery)	-	-

The Corporation's deferred tax assets and liabilities are comprised of the following:

Year ended February 28	2025 \$	2024 \$
Deferred tax assets:		
Net operating loss carry forwards	491,000	480,000
Net capital loss carry forwards	-	-
	491,000	480,000
Less: Valuation allowance	(491,000)	(480,000)
	-	-

The Corporation has recorded a valuation allowance as the Corporation does not consider it more likely than not that the deferred tax assets will be realized in the foreseeable future.

The Corporation has non-capital losses of \$1,795,000 (2024: \$1,740,000) available for deduction against future taxable income, the balances of which will expire as follows:

Year ended February 28	2025 \$	2024 \$
Year of expiry		
2039	116,000	116,000
2040	126,000	126,000
2041	721,000	721,000
2042	467,000	467,000
2044	310,000	310,000
2045	55,000	n/a
	1,795,000	1,740,000

The potential tax benefit of the above losses has not been recognized in these financial statements.

8. Earnings per share

The calculation of basic and diluted earnings per share, was as follows:

For the years ended	February 28 2025 \$	February 29 2024 \$
Net Income (loss) attributable to common shareholders	546,224	(439,529)
Weighted average number of common shares outstanding (basic and diluted)	22,154,370	21,904,370
Basic and diluted loss per share	0.02	(0.02)

At February 28, 2025, there were no dilutive elements in equity.

9. Related party transactions

The Corporation granted Nil (2024: 500,000) common shares to the President at a deemed value of \$0.35 (2024: \$0.35) or \$Nil (2024: \$175,000) and repaid \$46,500 (2024: \$Nil) in shareholder loans to the President during the year ended February 28, 2025.

The Corporation paid salary to an employee and shareholder of \$68,080 (2024: \$86,000) and granted 250,000 (2024: 100,000) common shares at a deemed value of \$0.35 (2024: \$0.35) or \$87,500 (2024: \$35,000) during the year ended February 28, 2025.

The Corporation granted Nil (2024: 55,000) common shares to directors at a deemed value of \$0.35 (2024: \$0.35) or \$Nil (2024: \$19,250) during the year ended February 28, 2025.

There were no loans to directors or officers during the year ended February 28, 2025 (2024: \$46,500). All related party transactions were completed in the normal course of business.

10. Capital management

The Corporation manages capital based on its cash and equivalents and ongoing working capital, with an objective of safeguarding the Corporation's ability to continue as a going concern, maximizing the funds invested into property plant and equipment, scientific research and experimental development activities, and considering additional financings which minimize shareholder dilution. There were no changes in the Corporation's approach to capital management during the year ended February 28, 2025.

As at February 28, 2025, the Corporation had a net working capital deficiency of \$50,568 (working capital deficiency February 28, 2024: \$84,308). The Corporation held bank overdraft at February 28, 2025 of \$8,123 (cash in bank February 28, 2024: \$2,256).

The Corporation's capital structure reflects a company focused on advancement of scientific research and development of patent pending and other intellectual property and financing both internal and external growth opportunities. The advancement of scientific research and experimental development involves significant risk which, even a combination of careful evaluation, experience and knowledge, may not adequately mitigate.

The Corporation manages capital in proportion to risk and manages the property plant and equipment, scientific research and experimental development efforts, and capital structure based on economic conditions and prevailing commodity pricing and trends for ethanol, heating pellets and electricity. The Corporation relies on government grants and equity financings to maintain adequate liquidity to support its ongoing activities and working capital commitments.

11. Financial instruments and risk management

The Corporation's financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the Corporation's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Corporation's financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through identifying risk appropriately, aligning risk with overall scientific research and experimental development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The carrying values for primary financial instruments, including cash (bank overdraft) and equivalents, receivables, sales taxes recoverable, due to related party, and accounts payable and accrued liabilities approximate fair values due to their short-term maturities. The Corporation's exposure to potential loss from financial instruments relates primarily to its cash and equivalents held with Canadian financial institutions.

There have been no major or significant changes that have had an impact on the overall risk assessment of the Corporation during the year. The objectives and strategy for the scientific research and experimental development portfolio remain unchanged.

The Corporation's scientific research and experimental development activities expose it to the following financial risks:

Fair Value Hierarchy

The Corporation measures its financial instruments using a fair value hierarchy that categorizes inputs used in valuation techniques into three levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in Level 1, observable for the asset or liability, either directly or indirectly;

Level 3: Unobservable inputs for the asset or liability.

The following table presents the Corporation's financial asset measured at fair value on a recurring basis as at February 28, 2025:

<u>Financial Instrument</u>	<u>Classification</u>	<u>Level</u>	<u>Fair Value</u>
Marketable securities	FVTPL	Level 1	\$200,000

Marketable Securities

Marketable securities consist of publicly traded equity instruments that are quoted in active markets. These instruments are classified as financial assets at fair value through profit or loss (FVTPL):

- Changes in fair value are recognized in net income during the period in which they arise;
- These instruments are valued using Level 1 inputs, as their fair value is based on quoted market prices at the reporting date;
- There were no transfers between levels of the fair value hierarchy during the period.

Fair Value Risk and Sensitivity

Given that the fair value is derived from quoted prices in active markets, the valuation of these instruments is not subject to significant estimation uncertainty. However, the Corporation is exposed to market risk from fluctuations in equity prices. A 10% increase or decrease in the fair value of marketable securities as at February 28, 2025 would result in a corresponding increase or decrease of \$20,000 in profit or loss.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Corporation's exposure to credit risk is concentrated in four specific areas: the credit risk on operating balances including sales taxes recoverable and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets. No provision against these credit risk areas has been recognized in these financial statements.

The aggregate gross credit risk exposure was \$Nil at February 28, 2025 and \$6,798 February 28, 2024 including \$2,256 in cash held with Canadian financial institutions with a "AA-" credit rating, and \$4,542 in sales taxes recoverable.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Corporation's primary market risk exposures, and how those exposures are currently managed, follows:

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Corporation's financial assets and liabilities and operating costs are principally denominated in Canadian dollars. The Corporation has historically had insignificant operations in United States ("US") dollars. The Corporation has no US dollar hedging program due to its minimal exposure to financial gain or loss as a result of foreign exchange movements against the Canadian dollar.

Commodity price risk

Commodity prices, and in particular hydrogen, ethanol, heating pellets, and electricity prices, fluctuate and are affected by factors outside of the Corporation's control. This risk is not applicable as the Corporation is not currently in commercial production. The current and expected future spot prices have a significant impact on the market sentiment for investment and may impact the Corporation's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's interest rate risk is minimal as there are no outstanding loans or interest-bearing debts. The Corporation has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Corporation maintains principally all its assets in cash and equivalents. The Corporation's liabilities were \$50,568 at April 30, 2025 (April 30, 2024: \$91,106) and includes accounts payable due in the normal course of \$34,678 (April 30, 2024: \$38,278) and accrued liabilities of \$Nil (April 30, 2024: \$Nil).

12. Subsequent events

In May 2025 the Corporation announced a non-binding letter of intent to sell all the issued and outstanding shares to *QNB Metals Inc.* ("QNB") a public company listed on the Canadian Securities Exchange ("CSE").

QNB's name is expected to change to *ReSolve Energy Inc.*, with an updated ticker, and is expected to continue in the Corporation's two distinct business segments: biofuel and hydrogen. QNB common shares are expected to be consolidated at a rate of 1:5 concurrently with this transaction. QNB common shares issued to the Corporation's shareholders are expected to be subject to resale restrictions and released upon the achievement of key milestones. Trading in the common shares of QNB is expected to be halted once this letter of intent is made binding and will remain halted pending the satisfaction of all CSE requisite filings and requirements.

Schedule D
MD&A of ReSolve for the year ended February 28, 2025

See attached.

This Management Discussion and Analysis (“MD&A”) provides a discussion and analysis of the financial condition and results of operations of ReSolve Energie Inc. (“Resolve” or the “Corporation”) to enable a reader to assess material changes in the financial condition and results of operations of the Corporation as at and for the year ended February 28, 2025 and should be read in conjunction with the annual financial statements and notes thereto for the year ended February 28, 2025. All amounts included in this MD&A are in Canadian Dollars, the Corporation’s functional currency.

The annual financial statements, including comparatives, have been prepared using International Financial Reporting Standards (“IFRS[®]”) as issued by the International Accounting Standards Board (“IASB”). The Corporation operates in one segment defined as the cash generating unit which is Canada.

This MD&A has an effective date of June 20, 2025, the date this MD&A was reviewed and approved by the Board of Directors.

Additional information relating to the Corporation can be found on SEDAR at www.sedarplus.com.

The MD&A is presented in the following sections:

Page 1	Forward-Looking/Safe Harbour Statement and Fair Disclosure Statement
Page 2	Outlook, Corporate Overview
Page 3	Exploration Highlights
Page 3	Financial Review
	Operating Results, Financial Position
	Liquidity and Capital Resources
Page 5	Off-Balance Arrangements, Transactions with Related Parties
Page 5	Critical Accounting Estimates
Page 6	Changes in Accounting Policies, Adoption of New Accounting Standards
Page 6	Recent Accounting Pronouncements
Page 7	Financial Instruments and Other Instruments
Page 8	Contingent Liabilities, Outstanding Share Data
Page 8	Subsequent Events

FORWARD-LOOKING/SAFE HARBOUR STATEMENT AND FAIR DISCLOSURE STATEMENT

This MD&A may contain certain forward-looking statements concerning the future performance of RESOLVE’s business, its operations and its financial performance and condition, as well as management’s objectives, strategies, beliefs and intentions. These forward-looking statements are based on information currently available to the Corporation and the Corporation provides no assurance that actual results will meet management’s expectations. Forward-looking statements include estimates and statements that describe the Corporation’s future plans, objectives or goals, its ability to access capital, the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and reliance on key personnel, and include words to the effect that the Corporation or management expects a stated condition or result to occur. This list is not exhaustive of the factors that may affect any of the Corporation’s forward-looking statements. Statements relating to estimates of resources are also forward-looking statements as they involve risks and assumptions, including but not limited to assumptions with respect to future commodity prices and production economics, that the reserves and resources described exist in the quantities and grades estimated and are capable of economic extraction. Forward-looking statements may be identified by such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. All forward-looking information is inherently uncertain and subject to risks, uncertainties, and a variety of assumptions to address future events and conditions. These and other factors should be considered carefully and readers should not place undue reliance on the Corporation’s forward-looking statements. The Corporation does not undertake to update any forward-looking statement that may be made from time to time by the Corporation or on its behalf, except in accordance with applicable securities laws.

The preliminary assessments contained in the Technical Report referenced in this MD&A, and the estimates contained therein to date are preliminary in nature and are based on a number of assumptions, any one of which, if incorrect, could materially change the projected outcome. Although the Corporation believes that the expectations conveyed by the forward-looking statements are based upon information available on the date that such statements were made, there can be no assurance that such expectations will prove to be correct. All subsequent forward-looking statements, whether written or orally attributable to the Corporation or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements.

OUTLOOK

ReSolve Energie Inc. is primarily focused on its patent pending biofuel generation technology, through the advancement of related intellectual property and scientific research and experimental development.

The Corporation holds a 50.1% interest in *Resolve Hydrogen Inc.* which holds patent pending hydrogen detection and storage/production methodologies from geological sources and a highly prospective land package consisting of 119 mineral exploration claims, across 7 claim blocks, covering 6,613 hectares (66 km²) in Northern Quebec, Canada. The land package is eligible for Quebec super flow through exploration incentives. Resolve will provide technical support on these hydrogen claims with fieldwork expected to commence in fiscal 2026.

In May 2025 the Corporation announced a non-binding letter of intent to sell all the issued and outstanding shares to *QNB Metals Inc.* ("QNB") a public company listed on the Canadian Securities Exchange ("CSE"). QNB's name is expected to change to ReSolve Energy Inc., with an updated ticker, and is expected to continue in the Corporation's two distinct business segments: biofuel and hydrogen. QNB common shares are expected to be consolidated at a rate of 1:5 concurrently with this transaction. QNB common shares issued to the Corporation's shareholders are expected to be subject to resale restrictions and released upon the achievement of key milestones. Trading in the common shares of QNB is expected to be halted once this letter of intent is made binding and will remain halted pending the satisfaction of all CSE requisite filings and requirements.

CORPORATE OVERVIEW

ReSolve is a private company incorporated under Canadian federal charter on December 17, 2015. ReSolve business activities are primarily focused on the advancement of its patent pending biofuel generation technology to full commercialization, through the advancement of related intellectual property and scientific research and experimental development.

The Corporation's registered office is 4690 rue Roberge, Lac-Mégantic, Quebec, G6B 2V9.

The Company holds a 50.1% interest in *Resolve Hydrogen Inc.* which holds a prospective land package in Ontario and Quebec, using leading patent pending detection and storage technologies and proprietary methodologies, with its joint venture partner, *QNB Metals Inc.*

The Corporation has developed an innovative suite of technology that includes the transformation of residual bark and other biomass (such as corn crop residual biomass) into high performance renewable fuels including second-generation ethanol and lignin pellets, and electricity through cogeneration.

EXPLORATION HIGHLIGHTS

In January 2025, the Corporation finalized a joint venture agreement with QNB and in exchange for a 50.1% interest in a newly created subsidiary named corporation named *ReSolve Hydrogen Inc.* ("RHI"), transferred into RHI three patent-pending technologies on hydrogen detection and storage/production and 119 mineral exploration claims across 7 claim blocks, covering 6,613 hectares (66 km²) in Northern Quebec (the "Land Claims"). The mineral exploration claims are known to host elevated levels of hydrogen and are eligible for Quebec super flow through exploration incentives. Fieldwork is expected to commence in fiscal 2026.

RHI was reported on the Statement of Financial Position at the carrying amount of the investment was \$451,804. Given no operations in RHI since inception in January 2025, there was no equity pickup. No indicators of impairment were identified as at year end.

FINANCIAL REVIEW

The financial statements, including comparatives, have been prepared using International Financial Reporting Standards (“IFRS[®]”) applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future. The Corporation is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there is significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Corporation's funding initiatives will continue to be successful and the Corporation's financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material. The Corporation will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

This section discusses significant changes in the Statements of Financial Position, Statements of Changes in Shareholders' Equity, Statements of Loss, Comprehensive Loss and Deficit, and Statements of Cash Flows for the year ended February 28, 2025.

SELECTED ANNUAL INFORMATION

For the year ended and as at February 28,	2025	2024
Other Income	151,376	106,616
Income (loss) and comprehensive income (loss)	\$546,224	(\$439,529)
Income (loss) per share	\$0.02	(\$0.02)
Total Assets	\$859,082	\$265,896
Total Long-term liabilities	Nil	Nil

SIGNIFICANT EVENTS DURING 2025

In January 2025, the Corporation finalized a joint venture agreement with QNB). In exchange for total consideration of i) 4,000,000 common shares of QNB at a deemed value of \$0.10 and ii) a \$50,000 cash payment from QNB, QNB was granted a 49.9% interest (the Corporation retained 50.1%) in a newly created corporation named RHI), into which the Corporation transferred three patent-pending technologies on hydrogen detection and storage/production and Land Claims as further described above under **EXPLORATION HIGHLIGHTS**.

OPERATING RESULTS

This section should be read in conjunction with the Statements of Loss, Comprehensive Loss and Deficit for the year ended February 28, 2025 and the corresponding notes thereto.

The Corporation reported income and comprehensive income of \$546,224 for the year ended February 28, 2025 as compared to a loss and comprehensive loss of \$439,529 for the year ended February 29, 2024. The variance is attributable to an increase in Other Income, comprised of \$75,375 in government grants, rental income of \$76,001 due to subleasing of a portion of the plant, and a reported gain of \$901,804 for the sale of hydrogen intellectual property on the transfer of land claims and hydrogen intellectual property to ReSolve Hydrogen., all offset by lower share based compensation and wages and benefits. The Corporation also reported a mark-to-market loss on the shares held in QNB of \$200,000 as at February 28, 2025.

FINANCIAL POSITION

This section should be read in conjunction with the Statements of Financial Position and Statements of Changes in Shareholders' Equity as at February 28, 2025 and the corresponding notes thereto.

Assets

The current assets were \$Nil at February 28, 2025 as compared to \$6,798 at February 29, 2025. The bank overdraft was \$8,123 at February 28, 2025 as compared to \$2,256 in cash and equivalents at February 29, 2024. Included in assets is \$451,804 (2024: \$Nil) for interest in RHI, \$200,000 (2024: \$Nil) in marketable securities for shares held in QNB, and \$207,278 (2024: \$259,098) in property, plant and equipment.

Liabilities

Liabilities were \$50,568 at February 28, 2025 as compared to \$91,106 at February 29, 2024 and was comprised of bank overdraft, accounts payable and accrued liabilities, sales taxes payable and payroll and wage levies payable. Accounts payable and accrued liabilities were payable in the normal course of business.

Shareholders' equity

Shareholders' equity was \$808,514 at February 28, 2025 as compared to \$174,790 at February 29, 2024. The change is primarily due to \$87,500 in share-based compensation issued to an employee, offset by the Income and Comprehensive Income of \$546,224 for the year ended February 28, 2025.

LIQUIDITY AND CAPITAL RESOURCES

This section should be read in conjunction with the Statement of Financial Position as at February 28, 2025 and the corresponding notes thereto.

The working capital ratio as at February 28, 2025 was Nil : 1 as compared to working capital ratio of 0.18 : 1 as at February 29, 2024. As at February 28, 2025, the Corporation held cash and equivalents of \$Nil (February 29, 2024: \$2,256).

Current liabilities at February 28, 2025 included bank overdraft \$8,123 (February 29, 2024: \$Nil), accounts payable and accrued liabilities of \$34,678 (February 29, 2024: \$38,278), sales taxes payable \$373 (February 29, 2024: \$Nil) and payroll and wage levies payable \$7,394 (February 29, 2024: \$6,328) incurred during the year and payable in the normal course.

The Corporation manages capital based on its cash and equivalents and ongoing working capital, with an objective of safeguarding the Corporation's ability to continue as a going concern, maximizing the funds invested into property plant and equipment, scientific research and experimental development activities, and considering additional financings which minimize shareholder dilution. There were no changes in the Corporation's approach to capital management during the year ended February 28, 2025.

The Corporation's capital structure reflects a company focused on advancement of scientific research and development of patent pending and other intellectual property and financing both internal and external growth opportunities that involves significant risk which, even a combination of careful evaluation, experience and knowledge, may not be adequately mitigated.

The Corporation manages capital in proportion to risk and manages the property plant and equipment, scientific research and experimental development efforts, and capital structure based on economic conditions and prevailing commodity pricing and trends for various input materials such as ethanol, heating pellets and electricity. The Corporation relies on government grants and equity financings to maintain adequate liquidity to support its ongoing activities and working capital commitments.

The Corporation believes that it has sufficient working capital to meet its current obligations and currently planned operating costs and expenditures on its mineral projects. The Corporation will have to qualify for additional government grants and/or raise additional funds to advance its scientific research and experimental development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future. Resolve has no material commitments or contractual obligations with respect to the development of any mineral projects beyond those that would be considered as part of normal business.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The Corporation granted Nil (February 29, 2024: 500,000) common shares to the President at a deemed value of \$0.35 (February 29, 2024: \$0.35) or \$Nil (February 29, 2024: \$175,000) and repaid \$46,500 (February 29, 2024: \$Nil) in shareholder loans to the President during the year ended February 28, 2025.

The Corporation paid salary to an employee and shareholder of \$68,080 (February 29, 2024: \$86,000) and granted 250,000 (February 29, 2024: 100,000) common shares at a deemed value of \$0.35 (February 29, 2024: \$0.35) or \$87,500 (February 29, 2024: \$35,000) during the year ended February 28, 2025.

The Corporation granted Nil (February 29, 2024: 55,000) common shares to directors at a deemed value of \$0.35 (February 29, 2024: \$0.35) or \$Nil (February 29, 2024: \$19,250) during the year ended February 28, 2025.

There were no loans to directors or officers during the year ended February 28, 2025 (February 29, 2024: \$46,500). All related party transactions were completed in the normal course of business.

None of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

CRITICAL ACCOUNTING ESTIMATES

Resolve's significant accounting policies are summarized in note 3 to the financial statements for the year ended February 28, 2025.

The preparation of these annual financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The evaluation of the Corporation's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment based on past experience and other assumptions including the probability that future events are considered reasonable according to the circumstances.

The following are the areas involving estimates made in the process of applying the Corporation's accounting policies that have a significant effect on the amounts recognized in the financial statements.

Impairment

In assessing impairment, the Corporation must make estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses

will be recovered from either exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Corporation's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information become available.

Share-based payments

The fair value estimation of share-based compensation is based on the market capitalization per common share of the Corporation, which reflects the deemed value of the scientific research and developmental patent pending technology at the time of issuance. This fair value is unchanged for several years at \$0.35 per share.

Contingent Liabilities

Contingent liabilities are not recognized in the financial statements unless estimable and probable and are disclosed in notes to the financial statements unless their occurrence is remote. By their nature, contingent liabilities will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

CHANGES IN ACCOUNTING POLICIES / ADOPTION OF NEW ACCOUNTING STANDARDS

There were changes in accounting policies during the year.

New Accounting Policies Not Yet Adopted

The Corporation has not yet adopted certain new standards, amendments and interpretations to existing standards effective for accounting periods beginning on or after October 1, 2024 or later periods. The new and amended standards are not expected to have a material impact on the Corporation except for the below standards.

IFRS 9: *Financial Instruments* requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard also provides guidance on the derecognition of financial liabilities, which can impact bank reconciliation processes, especially during debt restructuring.

Amendments to IFRS 9 and IFRS 7: *Financial Instruments, Disclosures*, effective for reporting periods beginning on or after January 1, 2026, address classification and measurement of financial instruments. The Corporation is assessing the impact of these amendments on its financial statements.

IFRS 18: *Presentation and Disclosure in Financial Statements* aims to improve the consistency and clarity of financial statement presentation and disclosure by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Corporation is currently assessing the impact on its financial statements.

RECENT ACCOUNTING PRONOUNCEMENTS

IAS 21: The Effects of Changes in Foreign Exchange Rates

IAS 21 outlines how to account for transactions in foreign currencies and how to translate financial statements of foreign operations into a presentation currency and is effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted. The amendment addresses situations where a foreign currency is not exchangeable into another currency (e.g., due to government restrictions or illiquidity in the market). It provides a definition of exchangeability, guidance on determining the exchange rate to use when exchangeability is temporarily or permanently

lacking and required disclosures to enhance transparency. The Corporation is currently evaluating the impact of this amendment which is not expected to have a material impact on the financial statements.

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Corporation. Management anticipates that all of the pronouncements will be adopted in the Corporation's accounting policy for the first period beginning after the effective date of each pronouncement.

Information on new standards, amendments and interpretations have been issued but are not expected to have a material impact on the financial statements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Corporation's financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the Corporation's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Corporation's statement of financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through identifying risk appropriately, aligning risk with overall exploration and development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The carrying values for primary financial instruments, including cash (bank overdraft) and equivalents, receivables, sales taxes recoverable, due to related party, and accounts payable and accrued liabilities approximate fair values due to their short-term maturities. The Corporation's exposure to potential loss from financial instruments relates primarily to its cash and equivalents held with Canadian financial institutions.

There have been no major or significant changes that have had an impact on the overall risk assessment of the Corporation during the year. The objectives and strategy for the scientific research and experimental development portfolio remain unchanged.

The Corporation's scientific research and experimental development activities expose it to the following financial risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's exposure to credit risk is concentrated in three specific areas: the credit risk on operating balances including other receivables and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets.

The aggregate gross credit risk exposure as at February 28, 2025 was \$Nil (February 29, 2024: \$6,798) which included \$2,256 in cash held with Canadian financial institutions with a "AA-" credit rating, and \$4,542 in sales taxes recoverable.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Corporation's primary market risk exposures, and how those exposures are currently managed, follows:

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Corporation's financial assets and liabilities and operating costs are principally denominated in Canadian dollars. The Corporation has historically had insignificant operations in United States ("US") dollars. The Corporation has no US dollar hedging program due to its minimal exposure to financial gain or loss as a result of foreign exchange movements against the Canadian dollar.

Commodity price risk

Commodity prices, and in particular commodity spot prices, fluctuate and are affected by factors outside of the Corporation's control. This risk is not applicable as the Corporation is not currently in commercial production. The current and expected future spot prices have a significant impact on the market sentiment for investment in mineral exploration companies and may impact the Corporation's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's interest rate risk is minimal as there are no outstanding loans or interest-bearing debts. The Corporation has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Corporation maintains principally all its assets in cash and equivalents.

The Corporation believes that its cash position provides adequate liquidity to meet the Corporation's near-term obligations, subject to unforeseen circumstances.

CONTINGENT LIABILITIES

Governmental laws and regulations regarding environmental protection regulate the Corporation's operations. The environmental consequences are not easily identifiable, either in terms of results, the impacts or the expiration date. Currently, and to the best knowledge of its management, the Corporation is in conformity with current laws and regulations.

OUTSTANDING SHARE DATA

As at February 28, 2025, the Corporation had a total of 22,154,370 (February 29, 2024: 21,904,370) common shares outstanding.

SUBSEQUENT EVENTS

In May 2025 the Corporation announced a non-binding letter of intent to sell all the issued and outstanding shares to *QNB Metals Inc.* ("QNB") a public company listed on the Canadian Securities Exchange ("CSE").

QNB's name is expected to change to *ReSolve Energy Inc.*, with an updated ticker, and is expected to continue in the Corporation's two distinct business segments: biofuel and hydrogen. QNB common shares are expected to be consolidated at a rate of 1:5 concurrently with this transaction. QNB common shares issued to the Corporation's shareholders are expected to be subject to resale restrictions and released upon the achievement of key milestones. Trading in the common shares of QNB is expected to be halted once this letter of intent is made binding and will remain halted pending the satisfaction of all CSE requisite filings and requirements.

Schedule E
Interim Financial Statements of ReSolve for the three months ended May 31, 2025

See attached.



RESOLVE ENERGIE INC.

Statements of Financial Position

Expressed in Canadian dollars (unless otherwise noted)

As at	Notes	May 31, 2025 \$	February 28, 2025 \$
Current assets			
Cash and equivalents		690	-
Receivables		10,210	-
Total current assets		10,900	-
Interest in ReSolve Hydrogen Inc.	4	451,804	451,804
Marketable securities	4	180,000	200,000
Property, plant and equipment	5	196,914	207,278
Total assets		839,618	859,082
Current liabilities			
Bank overdraft		-	8,123
Accounts payable and accrued liabilities		120,195	34,678
Sales taxes payable		585	373
Payroll and wage levies payable		7,394	7,394
Due to related party	9	6,000	-
Total current liabilities		134,174	50,568
<i>Going concern</i>	1		
Shareholders' equity			
Capital stock	6	6,901,882	6,901,882
Deficit		(6,196,438)	(6,093,368)
Total shareholders' equity		705,444	808,514
Total liabilities and shareholders' equity		839,618	859,082

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board of Directors:

(signed) Andre Proulx

Andre Proulx, Director

(signed) Simon Bouffard

Simon Bouffard, Director



RESOLVE ENERGIE INC.

Statements of Changes In Shareholders' Equity
Expressed in Canadian dollars (unless otherwise noted)

	Notes	Capital Stock		Other	Shareholders'
		Shares	\$	Accumulated Comprehensive Deficit	
Balance as at February 29, 2025		22,154,370	6,901,882	-	808,514
Income (loss) and comprehensive income (loss)				(6,093,368)	(103,070)
Balance as at May 31, 2025		22,154,370	6,901,882	-	705,444
Balance as at February 28, 2024		21,904,370	6,814,382	-	174,790
Income (loss) and comprehensive income (loss)				(6,639,592)	(44,739)
Balance as at May 31, 2024		21,904,370	6,814,382	-	130,051

The accompanying notes are an integral part of these financial statements.



RESOLVE ENERGIE INC.

Statements of Income (Loss), Comprehensive Income (Loss) and Deficit

Expressed in Canadian dollars (unless otherwise noted)

Three months ended May 31,		2025	2024
		\$	\$
Other Income			
Government grants	6	-	18,000
Rental income		27,311	-
		27,311	18,000
Expenses			
Share-based compensation	6	-	-
Wages and benefits	9	29,517	28,773
Depreciation - property plant and equipment	5	10,364	12,955
Research and development - pilot plant		-	-
Rent and utilities		21,501	20,304
General & administration		817	28
Legal & audit		48,182	679
		110,381	62,739
Loss before other items		(83,070)	(44,739)
Other items			
Gain on sale of hydrogen intellectual property	4	-	-
Loss on marketable securities	4	(20,000)	-
Income (loss) and comprehensive income (loss)		(103,070)	(44,739)
Deficit - beginning of year		(6,093,368)	(6,639,592)
Deficit - end of year		(6,196,438)	(6,684,331)
Income (loss) per share (basic and diluted)	8	(\$0.00)	(\$0.00)
Weighted average outstanding shares	8	22,154,370	21,904,370

The accompanying notes are an integral part of these financial statements.



RESOLVE ENERGIE INC.

Statements of Cash Flows

Expressed in Canadian dollars (unless otherwise noted)

Three months ended May 31,	2025	2024
	\$	\$
Operating activities		
Income (loss)	(103,070)	(44,739)
Add: non-cash items		
Depreciation - property plant and equipment	5	12,955
Loss on marketable securities	4	-
Net change in non-cash working capital balances		
Receivables	(10,210)	-
Sales taxes recoverable (payable)	212	6,426
Accounts payable and accrued liabilities	85,517	(174)
Payroll and wage levies payable	-	2,895
Due to related party	6,000	15,000
Cash used in operating activities	8,813	(7,637)
Net increase (decrease) in cash and equivalents	8,813	(7,637)
Cash and equivalents, beginning of period	(8,123)	2,256
Cash (bank overdraft) and equivalents, end of period	690	(5,381)

The accompanying notes are an integral part of these financial statements.

1. Nature of operations and going concern

Nature of operations

ReSolve Energie Inc. ("Resolve" or the "Corporation") is a private company incorporated under Canadian federal charter on December 17, 2015. Resolve business activities is primarily focused on its patent pending biofuel generation technology, through the advancement of related intellectual property and scientific research and experimental development.

The Corporation's registered office is 4690 rue Roberge, Lac-Mégantic, Quebec, G6B 2V9. Resolve is an advanced scientific research and experimental development company with patent pending biofuel generation technology that is advancing to full commercialization.

Going concern

These interim financial statements, including comparatives, have been prepared using *International Financial Reporting Standards* ("IFRS") applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from the prior fiscal year end of February 28, 2025.

The Corporation is subject to risks and challenges similar to companies in a comparable stage of scientific research and experimental development. As a result of these risks, there exist material uncertainties that cast significant doubt on the Corporation's ability to continue as a going concern. There is no assurance that the Corporation's funding initiatives will continue to be successful and these interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

The Corporation will have to qualify for additional government grants and/or raise additional funds to advance its scientific research and experimental development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

See note 12. Subsequent Events for related information.

2. Basis of Presentation

Statement of Compliance

These interim financial statements have been prepared in accordance with *International Financial Reporting Standards* ("IFRS") as issued by the *International Accounting Standards Board* ("IASB") and as adopted by the *Canadian Accounting Standards Board* ("AcSB").

The interim financial statements comply with all applicable requirements of IFRS, including all *International Accounting Standards* ("IAS") and *Interpretations issued by the IFRS Interpretations Committee* ("IFRIC") and its predecessor, the *Standing Interpretations Committee* ("SIC"), that are effective as at the reporting date.

The interim financial statements were authorized for issue by the Board of Directors on July 25, 2025.

Basis of Measurement

These interim financial statements have been prepared under the historical cost convention, except for certain financial instruments measured at fair value, as set out in the accounting policies in note 3. The Company's presentation currency and functional currency is the Canadian Dollar.

The preparation of the interim financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Corporation's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the interim financial statements, are disclosed in note 3.

3. Material accounting policy information

The principal accounting policies have been consistently applied to all years and are set out below:

Foreign currency translation

Monetary assets and liabilities denominated in a foreign currency are translated to Canadian dollars at exchange rates in effect at the balance sheet date and non-monetary assets and liabilities are translated at rates of exchange in effect when the assets were acquired or obligations incurred. Revenues and expenses are translated at rates in effect at the time of the transaction. Foreign exchange gains and losses are included in the Statements of Loss and Comprehensive Loss, except for differences arising on the translation of available for sale equity instruments that are recorded in other accumulated comprehensive income

Financial instruments

a) **Classification**

Financial Assets/Liabilities	Classification
Cash (Bank Overdraft) and cash equivalents	Financial asset (liabilities) at amortized cost
Receivables	Financial asset at amortized cost
Marketable Securities	Financial asset at fair value
Accounts payable and accrued liabilities	Financial liabilities at amortized cost
Payable to a related party	Financial liabilities at amortized cost

The Corporation determines the classification of financial assets at initial recognition. The classification of its instruments is driven by the Corporation's business model for managing the financial assets and their contractual cash flow characteristics. Financial assets are recognized at fair value and are subsequently classified and measured at amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). Financial liabilities are recognized initially at fair value, and are subsequently classified and measured at amortized cost, or FVTPL.

b) **Measurement**

Financial assets and liabilities at amortized cost:

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment for a financial asset.

Financial assets and liabilities at FVTPL:

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. 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 the statements of income (loss) and comprehensive income (loss) in the period in which they arise. Where the Corporation has opted to recognize a financial liability at FVTPL, any changes associated with the Corporation's own credit risk will be recognized in other comprehensive income (loss).

Impairment of financial assets at amortized cost

The Corporation recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Corporation measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Corporation measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Corporation recognizes an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Cash (bank overdraft) and cash equivalents

Cash (bank overdraft) and equivalents comprise cash (overdraft) in bank and demand deposits that are readily

convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Joint Ventures

The Corporation accounts for its interests in joint ventures using the equity method as prescribed by IFRS 11: *Joint Arrangements* and IAS 28: *Investments in Associates and Joint Ventures*.

Under the equity method, investments are initially recognized at cost and subsequently adjusted for the Corporation's share of the joint venture's income (loss) and other comprehensive income (loss), in the Statements of Income (Loss) and Other Comprehensive Income (Loss) and Deficit, respectively. Distributions received from the joint venture reduce the carrying amount of the investment.

Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost includes the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for its intended use. Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of the asset.

Subsequent expenditures are capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the Corporation and the cost can be reliably measured. All other expenditures, including repairs and maintenance, are charged to the Statements of Loss, Comprehensive Loss and Deficit as incurred.

Depreciation is provided on a declining balance basis over the estimated useful lives of the assets as follows:

Plant machinery and equipment	20% declining
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The residual values, useful lives, and depreciation methods are reviewed at least annually, and adjusted prospectively if appropriate.

Gains or losses arising on disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in Statements of Loss, Comprehensive Loss and Deficit.

Leases

The Corporation accounts for leases in accordance with IFRS 16: *Leases*, which requires lessees to recognize most leases on the balance sheet.

Lessees

At the commencement date of a lease, a right-of-use ("ROU") asset and a corresponding lease liability is recognized for all leases with a term of more than 12 months, unless the underlying asset is of low value.

The lease liability is initially measured at the present value of lease payments over the lease term, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Corporation's incremental borrowing rate.

The ROU asset is initially measured at cost considering the initial lease liability, lease payments made at or before the commencement date, initial direct costs, and restoration or dismantling obligations. Subsequently, the ROU asset is depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term and adjusted for any remeasurements of the lease liability.

The lease liability is remeasured when there is a change in events such as changes in lease term, future lease payments resulting from a rate change, or assessment of an option to purchase the underlying asset.

Lessors

Leases where the Corporation acts as lessor are classified as operating leases or finance leases based on the substance of the arrangement. Lease income from operating leases is recognized on a straight-line basis over the lease term unless another basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and that the Corporation will comply with all relevant conditions, in accordance with IAS 20 – *Accounting for Government Grants and Disclosure of Government Assistance*.

Government grants related to income are recognized in profit or loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs that the grants are intended to compensate. Such grants are presented as other income or as a reduction of the related expense, depending on the nature of the grant.

Government grants related to the purchase or construction of property, plant, and equipment are recognized as a reduction of the carrying amount of the asset or as deferred income, which is then recognized in Statements of Income (Loss), Comprehensive Income (Loss) and Deficit on a systematic basis over the useful life of the related asset.

Non-monetary grants are measured at fair value and recognized in the same manner as monetary grants.

Scientific Research and Experimental Development (SR&ED) Tax Credits

The Corporation participates in the Canadian government's Scientific Research and Experimental Development ("SR&ED") program, which provides refundable and non-refundable investment tax credits for eligible research and development expenditures.

Refundable SR&ED investment tax credits are recognized when there is reasonable assurance that the Company will comply with the relevant conditions and that the credits will be received in accordance with IAS 20 – *Accounting for Government Grants and Disclosure of Government Assistance*.

The Company recognizes refundable SR&ED tax credits as other income or as a reduction of related research and development expenses, depending on the nature of the underlying costs. The credits are recognized in the same period as the expenditures to which they relate, provided there is sufficient assurance of realization.

SR&ED claims are subject to review and approval by the Canada Revenue Agency ("CRA"), and any adjustments to the recognized amounts are recorded in the period in which they are identified.

Intellectual property and patents

Intellectual property ("IP") is recognized as an intangible asset in accordance with IAS 38 – *Intangible Assets* when it meets the recognition criteria: the asset is identifiable, the entity has control over it, and it is expected to provide future economic benefits.

Internally Developed IP

Expenditures on research activities are expensed as incurred. Development costs are capitalized as intangible assets only when the Corporation can demonstrate all of the following:

- Technical feasibility of completing the intangible asset;
- Intention and ability to complete and use or sell the asset;
- How the asset will generate probable future economic benefits;
- Availability of resources to complete the development;
- Ability to reliably measure the expenditure.

Internally generated intangible assets, including internally developed IP that meets the capitalization criteria, are measured at cost and amortized over their estimated useful lives once the asset is available for use.

Acquired IP

Intellectual property acquired separately or through a business combination is measured initially at cost or, if acquired as part of a business combination, at fair value at the acquisition date. After initial recognition, IP is carried at cost less accumulated amortization and impairment losses, if any.

Amortization is calculated on a straight-line basis over the estimated useful life of the IP, ranging up to 21 years on patented IP, and is reviewed at least annually. Changes in useful life or residual value are accounted for prospectively.

Impairment

Intellectual property is tested for impairment when there is an indication that the asset may be impaired. Impairment losses are recognized in profit or loss.

Revenue Recognition

Revenue is recognized when the transfer of goods or services, in an amount that reflects the consideration the Corporation expects to be entitled to, in exchange for those goods or services. The Corporation recognizes revenue when control of the goods or services is transferred, typically at the point in time when delivery occurs or services are rendered, depending on the nature of the contract.

Rental income from the sublease of space under a month-to-month arrangement is classified as an operating lease, as it does not transfer substantially all the risks and rewards associated with the right-of-use asset. Rental income is recognized in the Statements of Income (Loss), Comprehensive Income (Loss) on a straight-line basis as it is earned, typically monthly, consistent with the terms of the agreement.

Equity***Share capital***

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs.

Purchase for cancellation

When shares are purchased for cancellation, the carrying amount of the shares is recognized as a deduction of share capital. The difference between the purchase price and the carrying amount is charged to contributed surplus and then to deficit for any amounts in excess of total contributed surplus related to repurchased shares.

Share-based payments

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Corporation cannot estimate reliably the fair value of the goods or services received, the Corporation measures their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Corporation measures the fair value of the services received by reference to the fair value of the equity instruments granted.

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in the statement of net loss and comprehensive loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income ("OCI").

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

The Corporation recognizes deferred taxes in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for certain temporary differences and is measured at the tax rates that are expected to be applied when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Basic and diluted loss per share

Basic loss per share is calculated by dividing net loss attributable to common equity holders of the Corporation by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options. When a loss is incurred during a period, basic and diluted loss per share are the same because the exercise of share equivalents is then considered to be anti-dilutive.

Impairment

In assessing impairment, the Corporation must make estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Corporation's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information becomes available.

Use of Estimates and Judgments

The preparation of the interim financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The evaluation of the Corporation's ability to continue as a going concern, to raise additional financing to cover its operating expenses and its obligations for the upcoming year requires significant judgment based on past experience and other assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to note 1 for further information.

Share-based payments

The fair value estimation of share-based compensation is based on the market capitalization per common share of the Corporation, which reflects the deemed value of the scientific research and developmental patent pending technology at the time of issuance. This fair value is unchanged for several years at \$0.35 per share.

New Accounting Policies Not Yet Adopted

The Corporation has not yet adopted certain new standards, amendments and interpretations to existing standards effective for accounting periods beginning on or after October 1, 2024 or later periods. The new and amended standards are not expected to have a material impact on the Corporation except for the below standards.

IFRS 9: *Financial Instruments* requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard also provides guidance on the derecognition of financial liabilities, which can impact bank reconciliation processes, especially during debt restructuring.

Amendments to IFRS 9 and IFRS 7: *Financial Instruments, Disclosures*, effective for reporting periods beginning on or after January 1, 2026, address classification and measurement of financial instruments. The Corporation is assessing the impact of these amendments on its financial statements.

IFRS 18 *Presentation and Disclosure in Financial Statements* aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Corporation is currently assessing the impact on its financial statements.

IAS 21 – *The Effects of Changes in Foreign Exchange Rates*

IAS 21 outlines how to account for transactions in foreign currencies and how to translate financial statements of foreign operations into a presentation currency and is effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted. The amendment addresses situations where a foreign currency is not exchangeable into another currency (e.g., due to government restrictions or illiquidity in the market). It provides a definition of exchangeability, guidance on determining the exchange rate to use when exchangeability is temporarily or permanently lacking and required disclosures to enhance transparency. The Corporation is currently evaluating the impact of this amendment which is not expected to have a material impact on the financial statements.

Canadian Sustainability Disclosure Standards

The Corporation is evaluating the requirements of sustainability-related financial disclosures in accordance with the *Canadian Sustainability Disclosure Standards* (“CSDS”) issued by the *Canadian Sustainability Standards Board* (“CSSB”) in order to comply with related disclosures for CSDS 1: *General Requirements for Disclosure of Sustainability-related Financial Information*, and CSDS 2: *Climate-related Disclosures*.

Given the Corporation’s scientific, research and experimental development technologies are at the pilot stage(s), not commercialization, the Corporation is evaluating both the qualitative and quantitative information required in developing these disclosures, and where appropriate, the development of reasonable estimates and assumptions based on currently available information that could reasonably be expected, in future, to affect the Company’s cash flows, access to finance, or cost of capital over the short, medium, or long term.

4. Interest in Joint Venture

In January 2025, the Corporation finalized a joint venture agreement with *QNB Metals Inc.* (“QNB”). In exchange for total consideration of i) 4,000,000 common shares of QNB at a deemed value of \$0.10 and ii) a \$50,000 cash payment from QNB, QNB was granted a 49.9% interest (the Corporation retained 50.1%) in a newly created corporation named *ReSolve Hydrogen Inc.* (“RHI”), into which the Corporation transferred three patent-pending technologies on hydrogen detection and storage/production and 119 mineral exploration claims across 7 claim blocks, covering 6,613 hectares (66 km²) in Northern Quebec (the “Land Claims”).

The Investment in ReSolve Hydrogen Inc., over which the Corporation has joint control, was reported using the equity method of accounting. Under the equity method, the investment was initially recognized at cost and subsequently adjusted for the Corporation’s share of the associate’s net income (loss), and other comprehensive income (loss).

As at May 31, 2025, the carrying amount of the investment was \$451,804. Given no operations in RHI since inception in January 2025, there was no equity pickup as there was no income (loss) in RHI. No indicators of impairment were identified during the reporting period.

The QNB common shares, reported as *Marketable Securities* at an initial fair value of \$400,000 on the Statement of Financial Position and market to market loss of \$200,000, was subject to a further mark-to-market loss of \$20,000 for the three months ended May 31, 2025, reflecting a further decline in share price of QNB, and reported on the Statements of Income (Loss), Comprehensive Income (Loss) and Deficit.

5. Property, plant and equipment

Property, plant and equipment details are as follows:

Year	Cost			Accumulated Depreciation			Net Book Value
	Opening	Additions / Dispositions	Closing	Opening	Additions / Dispositions	Closing	
May 31, 2025	\$ 504,818	\$ -	\$ 504,818	\$ 297,540	\$ 10,364	\$ 307,904	\$ 196,914
February 28, 2025	\$ 504,818	\$ -	\$ 504,818	\$ 245,720	\$ 51,820	\$ 297,540	\$ 207,278

There were no disposals and no indications of impairment of the property, plant and equipment for the three months ended May 31, 2025 (2024: \$Nil).

6. Capital stock

Authorized share capital

The Company may issue an unlimited number of voting Class A Shares with no par value (“Common Shares”) and an unlimited number of non-voting Class B shares, with priority over Class A Shares on any dissolution or winding-up of the Corporation as it relates to the reimbursement of amounts paid for such Class B shares, and payment of any declared and unpaid dividends. Class B Shares do not confer any right to additional profit or asset participation.

See note 12. Subsequent Events for related information.

Grants and Scientific Research and Experimental Development (“SR&ED”) tax credits

During the three months ended May 31, 2025, the Corporation received \$NIL (May 31, 2024: \$18,000) in municipal grants recognized as Other Income on the Statements of Income (Loss), Comprehensive Income (Loss) and Deficit.

During the three months ended May 31, 2025, the Corporation did not receive any refundable and non-refundable SR&ED investment tax credits related to eligible research and development activities.

7. Income taxes

The Corporation’s effective tax rate, which differs from the combined federal and provincial statutory income tax rates for the three months ended May 31, 2025 (26.5%) and 2024 (26.5%), has been reconciled as follows:

Three months ended May 31,	2025	2024
	\$	\$
Income tax (recovery) at statutory rates	(27,314)	(11,856)
Increase (decrease) related to:		
Government grants	-	(4,770)
Provision - mark to market	5,300	-
Other	1,418	3,234
	(20,596)	(13,392)
Valuation allowance	20,596	13,392
Income tax expense (recovery)	-	-

The Corporation's deferred tax assets and liabilities are comprised of the following:

Three months ended May 31,	2025	2024
	\$	\$
Deferred tax assets:		
Net operating loss carry forwards	494,000	480,000
Net capital loss carry forwards	-	-
	494,000	480,000
Less: Valuation allowance	(494,000)	(480,000)
	-	-

The Corporation has recorded a valuation allowance as the Corporation does not consider it more likely than not that the deferred tax assets will be realized in the foreseeable future.

The Corporation has non-capital losses of \$1,816,000 (May 31, 2024: \$1,753,000) available for deduction against future taxable income, the balances of which will expire as follows:

Three months ended May 31,	2025	2024
Year of expiry	\$	\$
2039	116,000	116,000
2040	126,000	126,000
2041	721,000	721,000
2042	467,000	467,000
2044	310,000	310,000
2045	55,000	13,000
2046	21,000	-
	1,816,000	1,753,000

The potential tax benefit of the above losses has not been recognized in these interim financial statements.

8. Loss per share

The calculation of basic and diluted loss per share, was as follows:

Three months ended May 31,	2025	2024
	\$	\$
Net loss attributable to common shareholders	(103,070)	(44,739)
Weighted average number of common shares outstanding (basic and diluted)	22,154,370	21,904,370
Basic and diluted loss per share	(0.00)	(0.00)

At May 31, 2025 and 2024, there were no dilutive elements in equity.

9. Related party transactions

The President advanced \$6,000 in shareholder loans during the three months ended May 31, 2025 (May 31, 2024: \$Nil).

The Corporation paid wages to an employee and shareholder of \$26,400 for the three months ended May 31, 2025 (May 31, 2024: \$26,006).

There were no loans to directors or officers for the three months ended May 31, 2025 (May 31, 2024: \$Nil). All related party transactions were completed in the normal course of business.

10. Capital management

The Corporation manages capital based on its cash and equivalents and ongoing working capital, with an objective of safeguarding the Corporation's ability to continue as a going concern, maximizing the funds invested into property plant

and equipment, scientific research and experimental development activities, and considering additional financings which minimize shareholder dilution. There were no changes in the Corporation's approach to capital management during the three months ended May 31, 2025.

As at May 31, 2025, the Corporation had a net working capital deficiency of \$123,274 (February 28, 2025: \$50,568). The Corporation held cash and equivalents at May 31, 2025 of \$680 (February 28, 2025: \$8,123 bank overdraft).

The Corporation's capital structure reflects a company focused on advancement of scientific research and development of patent pending and other intellectual property and financing both internal and external growth opportunities. The advancement of scientific research and experimental development involves significant risk which, even a combination of careful evaluation, experience and knowledge, may not adequately mitigate.

The Corporation manages capital in proportion to risk and manages the property plant and equipment, scientific research and experimental development efforts, and capital structure based on economic conditions and prevailing commodity pricing and trends for ethanol, heating pellets and electricity. The Corporation relies on government grants and equity financings to maintain adequate liquidity to support its ongoing activities and working capital commitments.

11. Financial instruments and risk management

The Corporation's financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the Corporation's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Corporation's financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through identifying risk appropriately, aligning risk with overall scientific research and experimental development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The carrying values for primary financial instruments, including cash (bank overdraft) and equivalents, receivables, sales taxes recoverable, due to related party, and accounts payable and accrued liabilities approximate fair values due to their short-term maturities. The Corporation's exposure to potential loss from financial instruments relates primarily to its cash and equivalents held with Canadian financial institutions.

There have been no major or significant changes that have had an impact on the overall risk assessment of the Corporation during the year. The objectives and strategy for the scientific research and experimental development portfolio remain unchanged.

The Corporation's scientific research and experimental development activities expose it to the following financial risks:

Fair Value Hierarchy

The Corporation measures its financial instruments using a fair value hierarchy that categorizes inputs used in valuation techniques into three levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in Level 1, observable for the asset or liability, either directly or indirectly;

Level 3: Unobservable inputs for the asset or liability.

The following table presents the Corporation's financial asset measured at fair value on a recurring basis as at May 31, 2025:

<u>Financial Instrument</u>	<u>Classification</u>	<u>Level</u>	<u>Fair Value</u>
Marketable securities	FVTPL	Level 1	\$200,000

Marketable Securities

Marketable securities consist of publicly traded equity instruments that are quoted in active markets. These instruments are classified as financial assets at fair value through profit or loss (FVTPL):

- Changes in fair value are recognized in net income during the period in which they arise;
- These instruments are valued using Level 1 inputs, as their fair value is based on quoted market prices at the reporting date;
- There were no transfers between levels of the fair value hierarchy during the period.

Fair Value Risk and Sensitivity

Given that the fair value is derived from quoted prices in active markets, the valuation of these instruments is not subject to significant estimation uncertainty. However, the Corporation is exposed to market risk from fluctuations in equity prices. A 10% increase or decrease in the fair value of marketable securities as at May 31, 2025 would result in a corresponding increase or decrease of \$20,000 in profit or loss.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Corporation's exposure to credit risk is concentrated in four specific areas: the credit risk on operating balances including sales taxes recoverable and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets. No provision against these credit risk areas has been recognized in the interim financial statements.

The aggregate gross credit risk exposure was \$14,914 at May 31, 2025 (February 28, 2025: \$Nil) including \$690 in Cash and equivalents held with Canadian financial institutions with a "AA-" credit rating and \$10,210 in Receivables (February 28, 2025: \$Nil).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Corporation's primary market risk exposures, and how those exposures are currently managed, follows:

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Corporation's financial assets and liabilities and operating costs are principally denominated in Canadian dollars. The Corporation has historically had insignificant operations in United States ("US") dollars. The Corporation has no US dollar hedging program due to its minimal exposure to financial gain or loss as a result of foreign exchange movements against the Canadian dollar.

Commodity price risk

Commodity prices, and in particular hydrogen, ethanol, heating pellets, and electricity prices, fluctuate and are affected by factors outside of the Corporation's control. This risk is not applicable as the Corporation is not currently in commercial production. The current and expected future spot prices have a significant impact on the market sentiment for investment and may impact the Corporation's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's interest rate risk is minimal as there are no outstanding loans or interest-bearing debts. The Corporation has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Corporation maintains principally all its assets in cash and equivalents.

The Corporation's liabilities were \$138,188 at May 31, 2025 (February 28, 2025: \$50,568) and includes Accounts payable due in the normal course of \$73,945 (February 28, 2025: \$34,678) and Accrued liabilities of \$46,250 (February 28, 2025: \$Nil), Payroll and wage levies payable of \$7,394 (February 28, 2025: \$7,394), and Due to related party of \$6,000 at May 31, 2025 (February 28, 2025: \$Nil).

12. Subsequent events

In July 2025, ReSolve executed a share exchange agreement ("Definitive Agreement") whereby it will exchange all its 22,154,370 issued and outstanding common shares for 18,000,000 common shares in the capital of QNB (the "Common Shares") at a deemed price of \$0.25 per Common Share (the "Proposed Transaction") representing an exchange ratio of 0.8124 QNB shares for each ReSolve share previously held.

The Proposed Transaction will be considered a "Fundamental Change" pursuant to the policies of the Canadian Securities Exchange (the "CSE") of the resulting entity following completion of the Proposed Transaction (the "Resulting Issuer"). The business of the Resulting Issuer will be the business of ReSolve, identified as the reverse takeover acquirer of QNB.

Upon completion of the Proposed Transaction, QNB intends to change its name to "RéSolve Energie Inc. / ReSolve Energy Inc." and expects that the CSE will assign a new trading symbol for the Resulting Issuer.

As a condition to the completion of the Proposed Transaction, the QNB or ReSolve will complete a non-brokered private placement financing via the issuance of subscription receipts at a price of \$0.25 for aggregate gross proceeds of a minimum of \$2,500,000 and up to a maximum of \$3,000,000.

Concurrent with the Proposed Transaction, QNB is expected to complete a consolidation of its Common Shares on the basis of five (5) pre-consolidation Common Shares for one (1) post-Consolidation Common Share (the "Consolidation").

The joint venture in ReSolve Hydrogen Inc., previously entered into between ReSolve and QNB, will be terminated pursuant to the terms of the Definitive Agreement.

Prior to the completion of the Proposed Transaction, QNB intends to seek shareholder approval for the Proposed Transaction at an annual general and special meeting of its shareholders for, among other items: (a) the Proposed Transaction, (b) the Name Change; (c) the Consolidation; (d) the election of the new director to the Board; and (e) other corporate matters.

Trading in the QNB Common Shares was halted on July 8, 2025 and is expected to remain halted pending the satisfaction of the listing requirements of the CSE. There can be no assurance that the trading of Common Shares will resume prior to the completion of the Proposed Transaction.

Schedule F
MD&A of ReSolve for the three months ended May 31, 2025

See attached.

This Management Discussion and Analysis (“MD&A”) provides a discussion and analysis of the financial condition and results of operations of ReSolve Energie Inc. (“Resolve” or the “Corporation”) to enable a reader to assess material changes in the financial condition and results of operations of the Corporation as at and for the three months ended May 31, 2025 and should be read in conjunction with the interim financial statements and notes thereto for the three months ended May 31, 2025. All amounts included in this MD&A are in Canadian Dollars, the Corporation’s functional currency.

The interim financial statements, including comparatives, have been prepared using International Financial Reporting Standards (“IFRS®”) as issued by the International Accounting Standards Board (“IASB”). The Corporation operates in one segment defined as the cash generating unit which is Canada.

This MD&A has an effective date of July 25, 2025, the date this MD&A was reviewed and approved by the Board of Directors.

Additional information relating to the Corporation can be found on SEDAR at www.sedarplus.com.

The MD&A is presented in the following sections:

Page 1	Forward-Looking/Safe Harbour Statement and Fair Disclosure Statement
Page 2	Outlook, Corporate Overview
Page 3	Exploration Highlights
Page 3	Financial Review
	Operating Results, Financial Position
	Liquidity and Capital Resources
Page 5	Off-Balance Arrangements, Transactions with Related Parties
Page 6	Critical Accounting Estimates
Page 7	Changes in Accounting Policies, Adoption of New Accounting Standards
Page 7	Recent Accounting Pronouncements
Page 8	Financial Instruments and Other Instruments
Page 9	Contingent Liabilities, Outstanding Share Data
Page 9	Subsequent Events

FORWARD-LOOKING/SAFE HARBOUR STATEMENT AND FAIR DISCLOSURE STATEMENT

This MD&A may contain certain forward-looking statements concerning the future performance of RESOLVE’s business, its operations and its financial performance and condition, as well as management’s objectives, strategies, beliefs and intentions. These forward-looking statements are based on information currently available to the Corporation and the Corporation provides no assurance that actual results will meet management’s expectations. Forward-looking statements include estimates and statements that describe the Corporation’s future plans, objectives or goals, its ability to access capital, the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and reliance on key personnel, and include words to the effect that the Corporation or management expects a stated condition or result to occur. This list is not exhaustive of the factors that may affect any of the Corporation’s forward-looking statements. Statements relating to estimates of resources are also forward-looking statements as they involve risks and assumptions, including but not limited to assumptions with respect to future commodity prices and production economics, that the reserves and resources described exist in the quantities and grades estimated and are capable of economic extraction. Forward-looking statements may be identified by such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. All forward-looking information is inherently uncertain and subject to risks, uncertainties, and a variety of assumptions to address future events and conditions. These and other factors should be considered carefully and readers should not place undue reliance on the Corporation’s forward-looking statements. The Corporation does not undertake to update any forward-looking statement that may be made from time to time by the Corporation or on its behalf, except in accordance with applicable securities laws.

The preliminary assessments contained in the Technical Report referenced in this MD&A, and the estimates contained therein to date are preliminary in nature and are based on a number of assumptions, any one of which, if incorrect, could materially change the projected outcome. Although the Corporation believes that the expectations conveyed by the forward-looking statements are based upon information available on the date that such statements were made, there can be no assurance that such expectations will prove to be correct. All subsequent forward-looking statements, whether written or orally attributable to the Corporation or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements.

OUTLOOK

ReSolve Energie Inc. is primarily focused on its patent pending biofuel generation technology, through the advancement of related intellectual property and scientific research and experimental development.

The biorefining process has been validated through pilot-scale testing, with confirmed sugar yields, pellet performance, and modeled energy output. R&D has been conducted internally and in partnership with universities since 2015. Over \$3.5 million has been invested to date, including more than \$2 million in public grants. ReSolve is currently progressing toward the construction of a first commercial demonstration plant. Engineering studies are ongoing, and site selection and permitting have commenced.

The Corporation holds a 50.1% interest in *Resolve Hydrogen Inc.* which holds patent pending hydrogen detection and storage/production methodologies from geological sources and a highly prospective land package consisting of 119 mineral exploration claims, across 7 claim blocks, covering 6,613 hectares (66 km²) in Northern Quebec, Canada. The land package is eligible for Quebec super flow through exploration incentives. Resolve provides technical support and fieldwork on these hydrogen claims is expected to commence in fiscal 2026.

In July 2025, the Corporation signed a Definitive Agreement to sell all the issued and outstanding common shares to QNB Metals Inc. ("QNB"), a public company listed on the Canadian Securities Exchange ("CSE"), which superseded the non-binding letter of intent announced in May 2025. QNB's name is expected to change to ReSolve Energy Inc., with an updated ticker, and is expected to continue in the Corporation's two distinct business segments: biofuel and hydrogen. QNB common shares are expected to be consolidated at a rate of 1:5 concurrently with this transaction. Certain QNB common shares issued to the Corporation's shareholders are expected to be subject to escrow resale restrictions. Trading in the common shares of QNB was halted and will remain halted pending the satisfaction of all CSE requisite filings and requirements. An annual and special meeting of QNB shareholders is scheduled on July 30, 2025 to approve the terms of the Definitive Agreement.

CORPORATE OVERVIEW

ReSolve is a private company incorporated under Canadian federal charter on December 17, 2015. ReSolve business activities are primarily focused on the advancement of its patent pending biofuel generation technology to full commercialization, through the advancement of related intellectual property and scientific research and experimental development.

The Corporation's main office is 4690 rue Roberge, Lac-Mégantic, Quebec, G6B 2V9.

The Company holds a 50.1% interest in *Resolve Hydrogen Inc.* which holds a highly prospective land package in Ontario and Quebec, using leading patent pending detection and storage technologies and proprietary methodologies, with its joint venture partner, *QNB Metals Inc.*

The Corporation has developed an innovative suite of technology that includes the transformation of residual bark and other biomass (such as corn crop residual biomass) into high performance renewable fuels including second-generation ethanol and lignin pellets, and electricity through cogeneration.

EXPLORATION HIGHLIGHTS

In January 2025, the Corporation finalized a joint venture agreement with QNB and in exchange for a 50.1% interest in a newly created subsidiary named corporation named *ReSolve Hydrogen Inc.* ("RHI"), transferred into RHI three patent-pending technologies on hydrogen detection and storage/production and 119 mineral exploration claims across 7 claim blocks, covering 6,613 hectares (66 km²) in Northern Quebec (the "Land Claims"). The mineral exploration claims are

known to host elevated levels of hydrogen and are eligible for Quebec super flow through exploration incentives. Fieldwork is expected to commence in fiscal 2026.

RHI was reported on the Statement of Financial Position at the carrying amount of the investment was \$451,804. Given no operations in RHI since inception in January 2025, there was no equity pickup. No indicators of impairment were identified as at May 31, 2025.

FINANCIAL REVIEW

The financial statements, including comparatives, have been prepared using International Financial Reporting Standards (“IFRS[®]”) applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future. The Corporation is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there is significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Corporation's funding initiatives will continue to be successful and the Corporation's financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material. The Corporation will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

This section discusses significant changes in the Statements of Financial Position, Statements of Changes in Shareholders' Equity, Statements of Loss, Comprehensive Loss and Deficit, and Statements of Cash Flows for the three months ended May 31, 2025.

SELECTED QUARTERLY INFORMATION

	2026	2025				2024		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Statements of comprehensive loss (for the three month periods ended)								
Grants and Other income	27,310	94,039	25,303	32,035	-	36,914	-	20,639
Operating expenses	130,380	216,870	55,603	2,699	31,784	438,496	38,345	30,344
Gain on sale of hydrogen intellectual property	-	901,804	-	-	-	-	-	-
Loss on marketable securities	-	(200,000)	-	-	-	-	-	-
Income (loss) and comprehensive income (loss)	(103,070)	578,973	(30,301)	29,336	(31,784)	(401,582)	(38,345)	(9,705)
Earnings (loss) per share - basic and diluted	(0.00)	0.03	(0.00)	0.00	(0.00)	(0.02)	0.00	0.00

SIGNIFICANT EVENTS DURING Q1 2026

In January 2025, the Corporation finalized a joint venture agreement with QNB in exchange for total consideration of i) 4,000,000 common shares of QNB at a deemed value of \$0.10 and ii) a \$50,000 cash payment from QNB, QNB was granted a 49.9% interest (the Corporation retained 50.1%) in a newly created corporation named RHI, into which the Corporation transferred three patent-pending technologies on hydrogen detection and storage/production and Land Claims as further described above under **EXPLORATION HIGHLIGHTS**.

In July 2025, the Corporation signed a Definitive Agreement to sell all the issued and outstanding common shares to *QNB Metals Inc.* (“QNB”), a public company listed on the Canadian Securities Exchange (“CSE”), which superseded the non-binding letter of intent announced in May 2025. QNB's name is expected to change to ReSolve Energy Inc., with an updated ticker, and is expected to continue in the Corporation's two distinct business segments: biofuel and hydrogen. QNB common shares are expected to be consolidated at a rate of 1:5 concurrently with this transaction. Certain QNB common shares issued to the Corporation's shareholders are expected to be subject to escrow resale restrictions. Trading in the common shares of QNB was halted and will remain halted pending the satisfaction of all CSE requisite filings and

requirements. An annual and special meeting of QNB shareholders is scheduled on July 30, 2025 to approve the terms of the Definitive Agreement.

CONSOLIDATED OPERATING RESULTS

This section should be read in conjunction with the Statements of Loss, Comprehensive Loss and Deficit for the three months ended May 31, 2025 and the corresponding notes thereto.

All references to “Q1 2026” or “Q1 2025” relate to the three month periods ended May 31 of those periods unless stated otherwise.

The Corporation reported loss and comprehensive loss of \$103,070 for the three months ended May 31, 2025 as compared to a \$44,739 for the three months ended May 31, 2024.

Government grants were \$nil in Q1 2026 as compared to \$18,000 in Q1 2025 and rental income was \$27,311 related to a month to month sublease of a portion of the Corporation’s plant as compared to \$nil in Q1 2025.

Wages and benefits were \$29,517 in Q1 2026, unchanged from \$28,773 in Q1 2025. Depreciation on property plant and equipment was \$10,364 in Q1 2026 as compared to \$12,955 in Q1 2025. Rent and utilities was \$21,501 in Q1 2026 as compared to \$20,304 in Q1 2025. General and administrative expenses were unchanged at \$817 in Q1 2026 versus \$28 in Q1 2025. Legal and audit expenses were \$48,182 in Q1 2026 as compared to \$679 in Q1 2025 reflecting the increased costs of the first audited financial statements in accordance with IFRS for the year ended February 28, 2025, the review engagement for the year ended February 28, 2024, and the review engagement for quarter ended May 31, 2025, all required as part of the Definitive Agreement to acquire QNB Metals Inc. through a reverse takeover transaction.

The mark-to-market loss of \$20,000 reflects the decline in the traded market price of the common shares held in QNB Metals Inc. as at May 31, 2025.

FINANCIAL POSITION

This section should be read in conjunction with the Statements of Financial Position and Statements of Changes in Shareholders’ Equity as at May 31, 2025 and the corresponding notes thereto.

Assets

Current assets were \$10,900 at May 31, 2025 as compared to \$Nil at February 28, 2025. Cash and equivalents were \$690 at May 31, 2025 as compared to a bank overdraft of \$8,123 at February 28, 2025.

Interest in ReSolve Hydrogen Inc. was \$451,804 at May 31, 2025 unchanged from February 28, 2025.

Marketable Securities were \$180,000 at May 31, 2025 as compared to \$200,000 at February 28, 2025 and reflect common shares held in QNB Metals Inc. as part of the joint venture agreement on partial sale of the hydrogen intellectual property and assets. The decline is due to a mark-to-market loss of \$20,000 given a decline in the traded market price of the common shares as at May 31, 2025.

Property, plant and equipment was \$196,914 at May 31, 2025 as compared to \$207,278 at February 28, 2025 with the decline due to depreciation for the quarter.

Liabilities

Liabilities were \$134,174 at May 31, 2025 as compared to \$50,568 at February 28, 2025.

Accounts payable and accrued liabilities increased to \$120,195 at May 31, 2025 as compared to \$34,678 primarily due to fees for the audited and reviewed financial statements as outlined above. Sales taxes payable were \$585 at May 31, 2025 unchanged from \$373 at February 28, 2025. Payroll and wage levies payable were \$7,394 at May 31, 2025 unchanged from February 28, 2025. Due to related party was \$6,000 as compared to \$nil at February 28, 2025.

Shareholders' equity

Shareholders' equity was \$705,444 at May 31, 2025 as compared to \$808,514 at February 28, 2025. The change is primarily due to the loss and comprehensive loss of \$103,070 for the three months ended May 31, 2025.

LIQUIDITY AND CAPITAL RESOURCES

This section should be read in conjunction with the Statement of Financial Position as at May 31, 2025 and the corresponding notes thereto.

The working capital ratio as at May 31, 2025 was 0.09 as compared to a working capital deficiency as at February 28, 2025. The Corporation held cash and equivalents of \$690 at May 31, 2025 as compared to a bank overdraft of \$8,173 at February 28, 2025.

Current liabilities as at May 31, 2025 included accounts payable of \$73,945 (February 28, 2025: \$34,678) and accrued liabilities of \$46,250 (February 28, 2025: \$Nil), sales taxes payable of \$585 (February 28, 2025: \$373) and payroll and wage levies payable of \$7,394 (February 28, 2025: \$7,394), all incurred during the period and payable in the normal course.

The Corporation manages capital based on its cash and equivalents and ongoing working capital, with an objective of safeguarding the Corporation's ability to continue as a going concern, maximizing the funds invested into property plant and equipment, scientific research and experimental development activities, and considering additional financings which minimize shareholder dilution. There were no changes in the Corporation's approach to capital management during the three months ended May 31, 2025.

The Corporation's capital structure reflects a company focused on advancement of scientific research and development of patent pending and other intellectual property and financing both internal and external growth opportunities. The advancement of scientific research and experimental development involves significant risk which, even a combination of careful evaluation, experience and knowledge, may not adequately mitigate.

The Corporation manages capital in proportion to risk and manages the property plant and equipment, scientific research and experimental development efforts, and capital structure based on economic conditions and prevailing commodity pricing and trends for ethanol, heating pellets and electricity. The Corporation relies on government grants and equity financings to maintain adequate liquidity to support its ongoing activities and working capital commitments.

The Corporation believes that it has sufficient working capital to meet its current obligations and currently planned operating costs and expenditures on its mineral projects. The Corporation will have to qualify for additional government grants and/or raise additional funds to advance its scientific research and experimental development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future. Resolve has no material commitments or contractual obligations with respect to the development of any mineral projects beyond those that would be considered as part of normal business.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The President advanced \$6,000 in shareholder loans during the three months ended May 31, 2025 (May 31, 2024: \$Nil). The Corporation paid salary to an employee and shareholder of \$26,400 (May 31, 2024: \$26,006) for the three months ended May 31, 2025.

These transactions, entered into the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

CRITICAL ACCOUNTING ESTIMATES

Resolve's significant accounting policies are summarized in note 3 to the financial statements for the three months ended May 31, 2025.

The preparation of these interim financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The evaluation of the Corporation's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment based on past experience and other assumptions including the probability that future events are considered reasonable according to the circumstances.

The following are the areas involving estimates made in the process of applying the Corporation's accounting policies that have a significant effect on the amounts recognized in the financial statements.

Impairment

In assessing impairment, the Corporation must make estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Corporation's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information become available.

Share-based payments

The fair value estimation of share-based compensation is based on the market capitalization per common share of the Corporation, which reflects the deemed value of the scientific research and developmental patent pending technology at the time of issuance. This fair value is unchanged for several years at \$0.35 per share.

Contingent Liabilities

Contingent liabilities are not recognized in the financial statements unless estimable and probable and are disclosed in notes to the financial statements unless their occurrence is remote. By their nature, contingent liabilities will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

CHANGES IN ACCOUNTING POLICIES / ADOPTION OF NEW ACCOUNTING STANDARDS

There were no changes in accounting policies during the three months ended May 31, 2025.

New Accounting Policies Not Yet Adopted

The Corporation has not yet adopted certain new standards, amendments and interpretations to existing standards effective for accounting periods beginning on or after October 1, 2024 or later periods. The new and amended standards are not expected to have a material impact on the Corporation except for the below standards.

IFRS 9: *Financial Instruments* requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard also provides guidance on the derecognition of financial liabilities, which can impact bank reconciliation processes, especially during debt restructuring.

Amendments to IFRS 9 and IFRS 7: *Financial Instruments, Disclosures*, effective for reporting periods beginning on or after January 1, 2026, address classification and measurement of financial instruments. The Corporation is assessing the impact of these amendments on its financial statements.

IFRS 18 *Presentation and Disclosure in Financial Statements* aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Corporation is currently assessing the impact on its financial statements.

RECENT ACCOUNTING PRONOUNCEMENTS

IAS 21 – The Effects of Changes in Foreign Exchange Rates

IAS 21 outlines how to account for transactions in foreign currencies and how to translate financial statements of foreign operations into a presentation currency and is effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted. The amendment addresses situations where a foreign currency is not exchangeable into another currency (e.g., due to government restrictions or illiquidity in the market). It provides a definition of exchangeability, guidance on determining the exchange rate to use when exchangeability is temporarily or permanently lacking and required disclosures to enhance transparency. The Corporation is currently evaluating the impact of this amendment which is not expected to have a material impact on the financial statements.

Canadian Sustainability Disclosure Standards

The Corporation is evaluating the requirements of sustainability-related financial disclosures in accordance with the *Canadian Sustainability Disclosure Standards* (“CSDS”) issued by the *Canadian Sustainability Standards Board* (“CSSB”) in order to comply with related disclosures for CSDS 1: *General Requirements for Disclosure of Sustainability-related Financial Information*, and CSDS 2: *Climate-related Disclosures*.

Given the Corporation’s scientific, research and experimental development technologies are at the pilot stage(s), not commercialization, the Corporation is evaluating both the qualitative and quantitative information required in developing these disclosures, and where appropriate, the development of reasonable estimates and assumptions based on currently available information that could reasonably be expected, in future, to affect the Company’s cash flows, access to finance, or cost of capital over the short, medium, or long term.

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Corporation.

Management anticipates that all of the pronouncements will be adopted in the Corporation's accounting policy for the first period beginning after the effective date of each pronouncement.

Information on new standards, amendments and interpretations have been issued but are not expected to have a material impact on the financial statements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Corporation's financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the Corporation's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Corporation's statement of financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through identifying risk appropriately, aligning risk with overall exploration and development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The carrying values for primary financial instruments, including cash (bank overdraft) and equivalents, receivables, sales taxes recoverable, due to related party, and accounts payable and accrued liabilities approximate fair values due to their short-term maturities. The Corporation's exposure to potential loss from financial instruments relates primarily to its cash and equivalents held with Canadian financial institutions.

There have been no major or significant changes that have had an impact on the overall risk assessment of the Corporation during the three months ended May 31, 2025. The objectives and strategy for the scientific research and experimental development portfolio remain unchanged.

The Corporation's scientific research and experimental development activities expose it to the following financial risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's exposure to credit risk is concentrated in three specific areas: the credit risk on operating balances including other receivables and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets.

The aggregate gross credit risk exposure at May 31, 2025 was \$10,900 (February 28, 2025: \$Nil) which included \$690 in cash held with Canadian financial institutions with a "AA-" credit rating, and \$10,210 in receivables (February 28, 2025: \$Nil).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Corporation's primary market risk exposures, and how those exposures are currently managed, follows:

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Corporation's financial assets and liabilities and operating costs are principally denominated in Canadian dollars. The Corporation has historically had insignificant operations in United States ("US") dollars. The Corporation has no US dollar hedging program due to its minimal exposure to financial gain or loss as a result of foreign exchange movements against the Canadian dollar.

Commodity price risk

Commodity prices, and in particular commodity spot prices, fluctuate and are affected by factors outside of the Corporation's control. This risk is not applicable as the Corporation is not currently in commercial production. The current and expected future spot prices have a significant impact on the market sentiment for investment in mineral exploration companies and may impact the Corporation's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's interest rate risk is minimal as there are no outstanding loans or interest-bearing debts. The Corporation has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Corporation maintains principally all its assets in cash and equivalents.

The Corporation believes that its cash position provides adequate liquidity to meet the Corporation's near-term obligations, subject to unforeseen circumstances.

CONTINGENT LIABILITIES

Governmental laws and regulations regarding environmental protection regulate the Corporation's operations. The environmental consequences are not easily identifiable, either in terms of results, the impacts or the expiration date. Currently, and to the best knowledge of its management, the Corporation is in conformity with current laws and regulations.

OUTSTANDING SHARE DATA

As at May 31, 2025, the Corporation had a total of 22,154,370 (February 28, 2025: 22,154,370) common shares outstanding.

SUBSEQUENT EVENTS

In July 2025, the Corporation signed a Definitive Agreement to sell all the issued and outstanding common shares to QNB Metals Inc. ("QNB"), a public company listed on the Canadian Securities Exchange ("CSE"), which superseded the non-binding letter of intent announced in May 2025. QNB's name is expected to change to ReSolve Energy Inc., with an updated ticker, and is expected to continue in the Corporation's two distinct business segments: biofuel and hydrogen. QNB common shares are expected to be consolidated at a rate of 1:5 concurrently with this transaction. Certain QNB common shares issued to the Corporation's shareholders are expected to be subject to escrow resale restrictions. Trading in the common shares of QNB was halted and will remain halted pending the satisfaction of all CSE requisite filings and requirements. An annual and special meeting of QNB shareholders is scheduled on July 30, 2025 to approve the terms of the Definitive Agreement.

Schedule G
Interim Financial Statements of QNB for the three months ended July 31, 2025

See attached.



QNB METALS INC.
Statements of Financial Position

As at	Notes	(Unaudited) July 31, 2025 \$	(Audited) April 30, 2025 \$
Current assets			
Cash and equivalents		664	99,772
Prepaid expenses		22,447	-
Receivables		5,810	5,810
Sales taxes recoverable		130,853	103,867
Total current assets		159,774	209,449
Interest in ReSolve Hydrogen Inc.	5	349,200	349,200
Total assets		508,974	558,649
Current liabilities			
Accounts payable and accrued liabilities		306,533	240,662
Payable to related party	8	18,663	-
Total current liabilities		325,196	240,662
<i>Going concern</i>	1		
<i>Subsequent events</i>	10		
Shareholders' equity			
Share Capital	6	2,056,203	2,036,203
Warrants reserve	6	361,306	418,506
Share based compensation		214,736	214,736
Deficit		(2,448,467)	(2,351,458)
Total shareholders' equity		183,778	317,987
Total liabilities and shareholders' equity		508,974	558,649

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board of Directors:

(signed) Ian C. Peres

Ian C. Peres, President & CEO

(signed) Michael Mansfield

Michael Mansfield, Director



QNB METALS INC.

Statements of Changes In Shareholders' Equity

	Notes	Capital Stock					Shareholders' Equity
		Shares	\$	Warrants	Stock Options	Deficit	
Balance as at April 30, 2025		46,749,961	2,056,203	418,506	214,736	(2,371,458)	317,987
Expiry of unexercised purchase warrants	6			(57,200)		57,200	-
Loss and comprehensive loss						(134,209)	(134,209)
Balance as at July 31, 2025		46,749,961	2,056,203	361,306	214,736	(2,448,467)	183,778
Balance as at April 30, 2024		26,449,961	1,290,779	80,067	33,000	(1,892,363)	(488,517)
Loss and comprehensive loss						(64,676)	(64,676)
Balance as at July 31, 2024		26,449,961	1,290,779	80,067	33,000	(1,957,039)	(553,193)

The accompanying notes are an integral part of these financial statements.



QNB METALS INC.

Statements of Loss, Comprehensive Loss and Deficit

Three months ended July 31,	Notes	2025 \$	2024 \$
Expenses			
Management fees	8	58,333	49,500
General & administration		29,455	15,176
Legal & audit		46,421	-
Loss before income taxes		134,209	64,676
Deferred taxes	7	-	-
Loss and comprehensive loss		134,209	64,676
Deficit, beginning of period			
Warrant expiry	6	(57,200)	-
Deficit, end of period		2,448,467	1,957,039
Loss per share (basic and diluted)			
		\$0.00	\$0.00
Weighted average outstanding shares			
		46,749,961	26,449,961

The accompanying notes are an integral part of these financial statements.



QNB METALS INC.
Statements of Cash Flows

Three months ended July 31,		2025	2024
	Notes	\$	\$
Operating activities			
Loss and comprehensive loss		(134,209)	(64,676)
Net change in non-cash working capital balances			
Prepaid expenses		(22,447)	-
Sales taxes recoverable		(26,986)	37,979
Accounts payable and accrued liabilities		65,871	34,415
Payable to related party	8	18,663	-
Cash used in operating activities		(99,108)	7,718
Net increase in cash and equivalents		(99,108)	7,718
Cash and equivalents, beginning of period		99,772	19,621
Cash and equivalents, end of period		664	27,339

The accompanying notes are an integral part of these financial statements.

1. Nature of operations and going concern**Nature of operations**

QNB Metals Inc. (“QNB” or the “Corporation”) was incorporated under the Canada Business Corporations Act on October 19, 2020 and is an exploration and development company committed to identifying and advancing opportunities in the natural and mineral resource and clean energy sectors.

QNB holds the Kingsville Salt Project, an exploration project located in the area of Kingsville, on Nova Scotia’s Cape Breton Island, approximately 20 km north of the Port Hawkesbury / Point Tupper industrial area in the Strait of Canso. The Corporation also holds a 49.9% interest in *Resolve Hydrogen Inc.* which holds a highly prospective land package in Ontario and Quebec, and leading patent pending detection and storage technologies and proprietary methodologies, with its joint venture partner, *ReSolve Énergie Inc.*

The address of its head office is 2700-1000 rue Sherbrooke West, Montréal Québec, H3A 3G4, Canada. The Corporation’s shares trade on the Canadian Securities Exchange (“CSE”) under the symbol “TIM.X”.

Going concern

These interim financial statements, including comparatives, have been prepared using International Financial Reporting Standards (“IFRS[®]”) applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from July 31, 2025.

The Corporation is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there exist material uncertainties that cast significant doubt on the Corporation’s ability to continue as a going concern. There is no assurance that the Corporation’s funding initiatives will continue to be successful and these interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

The Corporation will have to raise additional funds through private placement and other equity financings and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

See Note 10. Subsequent Events for related information.

2. Basis of presentation**Statement of Compliance**

These interim financial statements have been prepared in accordance with *International Financial Reporting Standards* (“IFRS[®]”) as issued by the *International Accounting Standards Board* (“IASB”) and as adopted by the *Canadian Accounting Standards Board* (“AcSB”).

The interim financial statements comply with all applicable requirements of IFRS, including all *International Accounting Standards* (“IAS”) and Interpretations issued by the *IFRS Interpretations Committee* (“IFRIC”) and its predecessor, the *Standing Interpretations Committee* (“SIC”), that are effective as at the reporting date.

The financial statements were authorized for issue by the Board of Directors on September 24, 2025.

Basis of Measurement

These interim financial statements have been prepared under the historical cost convention, except for certain financial instruments measured at fair value, as set out in the material accounting policies in note 3. The Company’s presentation currency and functional currency is the Canadian Dollar.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Corporation's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

3. Material accounting policy information

The principal accounting policies have been consistently applied to all years and are set out below:

Foreign currency translation

Monetary assets and liabilities denominated in a foreign currency are translated to Canadian dollars at exchange rates in effect at the balance sheet date and non-monetary assets and liabilities are translated at rates of exchange in effect when the assets were acquired or obligations incurred. Revenues and expenses are translated at rates in effect at the time of the transactions. Foreign exchange gains and losses are included in the Statements of Loss and Comprehensive Loss, except for differences arising on the translation of available for sale equity instruments that are recorded in other accumulated comprehensive income

Financial instruments

a) Classification

Financial Assets/Liabilities	Classification
Cash and cash equivalents	Financial asset at amortized cost
Receivables	Financial asset at amortized cost
Prepaid expenses	Financial asset at amortized cost
Accounts payable and accrued liabilities	Financial liabilities at amortized cost
Payable to a related party	Financial liabilities at amortized cost

The Corporation determines the classification of financial assets at initial recognition. The classification of its instruments is driven by the Corporation's business model for managing the financial assets and their contractual cash flow characteristics. Financial assets are recognized at fair value and are subsequently classified and measured at amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). Financial liabilities are recognized initially at fair value, and are subsequently classified and measured at amortized cost, or FVTPL.

b) Measurement

Financial assets and liabilities at amortized cost:

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment for a financial asset.

Financial assets and liabilities at FVTPL:

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. 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 the statements of net loss and comprehensive loss in the period in which they arise. Where the Corporation has opted to recognize a financial liability at FVTPL, any changes associated with the Corporation's own credit risk will be recognized in other comprehensive income (loss).

Impairment of financial assets at amortized cost

The Corporation recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Corporation measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Corporation measures the loss allowance for the financial asset at an amount equal

to twelve month expected credit losses. The Corporation recognizes an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Cash and equivalents

Cash and equivalents comprise cash in bank and short-term deposits that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Joint Ventures

The Corporation accounts for its interests in joint ventures using the equity method as prescribed by IFRS 11 *Joint Arrangements* and IAS 28 *Investments in Associates and Joint Ventures*.

Under the equity method, investments are initially recognized at cost and subsequently adjusted for the Corporation's share of the JV's profit or loss and other comprehensive income, in the Statements of Earnings (Loss) and Other Comprehensive Earnings (Loss) and Deficit, respectively. Distributions received from the joint venture reduce the carrying amount of the investment.

Equity***Share capital***

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. In addition, if shares were issued as consideration for the acquisition of a mineral property or some other form of non-monetary assets, they are measured at their fair value according to the price of the most recent share issue of the Corporation adjusted by a discount for lack of marketability for any restriction or, after the Corporation being listed, their fair value according to the quoted price on the date of the conclusion of the agreement.

Unit placements

The Corporation has adopted a residual method with respect to the measurement of common shares and warrants issued as private placement units. Warrants attached to units are valued based on the fair value of shares using the Black- Scholes valuation model and the share price at the time of financing, and the difference between the proceeds raised and the value assigned to the warrants is the residual fair value of the shares.

Other elements of equity***Warrants***

Warrants that have been issued in combination with common shares are accounted for under IAS 32, Financial instruments: Presentation. Equity classification applies to instruments where a fixed amount of cash (or liability) denominated in the issuer's functional currency is exchanged for a fixed amount of shares.

In calculating the fair value of warrants, the Corporation used the Black Scholes option model which incorporates assumptions such as the Corporation's share price, term of the warrant, expected share price volatility, dividend yield and the risk-free interest rate. Warrants include fair value allocated to the warrants issued. When warrants are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under warrant reserve is transferred to deficit.

Debt for Equity Settlements

When financial liabilities are extinguished by issuing common shares, such common shares are measured at their fair value, or if not reliably measurable, the fair value of the liability extinguished is used. The difference between the carrying amount of the liability and the fair value of the common shares issued is recognized in contributed surplus if settlement is with a shareholder or profit or loss if settlement is with a creditor.

Contributed Surplus

Contributed surplus includes charges related to stock options until such stock options are exercised. When stock options are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under contributed surplus reserve is transferred to deficit.

Deficit includes all current and prior period retained profits and losses. Deficit also includes charges related to warrants and stocks options expired and any amounts in excess of total contributed surplus related to shares repurchased.

Purchase for cancellation

When shares are purchased for cancellation, the carrying amount of the shares is recognized as a deduction of share capital. The difference between the purchase price and the carrying amount is charged to contributed surplus and then to deficit for any amounts in excess of total contributed surplus related to repurchased shares.

Share-based payments

Stock options plan

The Corporation operates an equity-settled share-based payment plan for its eligible directors, officers, and employees. The Corporation's plan does not feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Corporation cannot estimate reliably the fair value of the goods or services received, the Corporation measures their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Corporation measures the fair value of the services received by reference to the fair value of the equity instruments granted.

All equity-settled share-based payments (except equity-settled share-based payments to brokers) are ultimately recognized as an expense in loss or capitalized as an exploration and evaluation asset, depending on the nature of the payment with a corresponding credit to contributed surplus or warrant reserve, in equity. Equity-settled share-based payments to brokers, in respect of an equity financing are recognized as issuance costs of the equity instruments with a corresponding credit to contributed surplus or warrant reserve, in equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of stock options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of stock options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if stock options ultimately exercised are different to that estimated on vesting.

Upon expiry of the warrants or stock options, the corresponding amounts in the warrants reserve and contributed surplus respectively are transferred to share capital.

Upon exercise of stock options, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the stock options recorded in contributed surplus are then transferred to share capital.

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in the statement of net loss and comprehensive loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income ("OCI").

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

The Corporation recognizes deferred taxes in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and

differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Basic and diluted loss per share

Basic loss per share is calculated by dividing net loss attributable to common equity holders of the Corporation by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options and warrants. When a loss is incurred during a period, basic and diluted loss per share are the same because the exercise of share equivalents is then considered to be anti-dilutive.

Use of estimates and judgments

The preparation of these financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The evaluation of the Corporation's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment based on past experience and other assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to note 1 for further information.

Impairment

In assessing impairment, the Corporation must make estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Corporation's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information become available.

Going concern

The evaluation of the Corporation's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment based on past experience and other assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to note 1 for further information.

Settlement of debts with shareholders and contractors

During the reporting period, the Company settled certain outstanding debts with parties who hold dual roles as both shareholders and creditors. These transactions required significant judgment to determine the appropriate classification and accounting treatment, particularly in assessing the capacity in which the parties acted when settling the debts.

Management evaluated the substance of each transaction to determine whether the settlement was made in the capacity of a shareholder (i.e., as a capital contribution or equity transaction) or as a creditor (i.e., as a financial liability extinguishment). This assessment considered the contractual terms, the nature of the relationship, the intent of the parties, and any supporting documentation or board resolutions.

Where the settlement was deemed to be in the capacity of a shareholder, the transaction was accounted for as an equity contribution and recognized directly in equity. Conversely, where the settlement was determined to be in the capacity of a creditor, the transaction was assessed under IFRS 9 – Financial Instruments, and any gain or loss on extinguishment was recognized in profit or loss.

This judgment is critical as it affects the presentation of the financial statements and the related disclosures under IAS 1 and IAS 24.

Share-based payments and warrant valuation

The estimation of share-based payment costs and measurement of warrant value of issuance requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The model used by the Corporation is the Black Scholes valuation model. For the significant inputs in the Black Scholes option pricing model, management made the following assumptions:

Underlying stock price

Set the stock price based on the equity offering from non-brokered private placements at or near the grant date of the options adjusted for discount for lack of marketability (“DLOM”).

Underlying stock price volatility

Based on historical data of comparable publicly traded companies in the mining industry.

Expected life

Given the limited history of the stock option plan and the Corporation, assumptions are required to be made for expected life and forfeitures.

New Accounting Policies Not Yet Adopted

The Corporation has not yet adopted certain new standards, amendments and interpretations to existing standards effective for accounting periods beginning on or after October 1, 2024 or later periods. The new and amended standards are not expected to have a material impact on the Corporation except for the below standards.

IFRS 9: *Financial Instruments* requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard also provides guidance on the derecognition of financial liabilities.

Amendments to IFRS 9 and IFRS 7: *Financial Instruments, Disclosures*, effective for reporting periods beginning on or after January 1, 2026, address classification and measurement of financial instruments. The Corporation is assessing the impact of these amendments on its financial statements.

IFRS 18: *Presentation and Disclosure in Financial Statements* aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Corporation is currently assessing the impact on its financial statements.

IAS 21: The Effects of Changes in Foreign Exchange Rates

IAS 21 outlines how to account for transactions in foreign currencies and how to translate financial statements of foreign operations into a presentation currency and is effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted. The amendment addresses situations where a foreign currency is not exchangeable into another currency (e.g., due to government restrictions or illiquidity in the market). It provides a definition of exchangeability, guidance on determining the exchange rate to use when exchangeability is temporarily or permanently lacking and required disclosures to enhance transparency.

The Corporation is currently evaluating the impact of this amendment which is not expected to have a material impact on the financial statements.

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Corporation. Management anticipates that all of the pronouncements will be adopted in the Corporation's accounting policy for the first period beginning after the effective date of each pronouncement.

Information on new standards, amendments and interpretations have been issued but are not expected to have a material impact on the financial statements.

4. Exploration and evaluation expenditures

The Corporation expenses all exploration and evaluation expenditures to the Statements of Loss, Comprehensive Loss and Deficit.

QNB holds the Kingsville Salt Project, an exploration project located in the area of Kingsville, on Nova Scotia's Cape Breton Island, approximately 20 km north of the Port Hawkesbury / Point Tupper industrial area in the Strait of Canso. The project is being reviewed for the presence of a natural reservoir and salt occurrences to capture and store carbon gas for industrial operations. Certain non-essential claims along the southern edge of the property package were allowed to expire in April 2025.

5. Interest in ReSolve Hydrogen Inc.

In January 2025, QNB finalized the joint venture agreement with *Resolve Energie Inc.* whereby it acquired a 49.9% interest (50.1% *Resolve Energie Inc.*) in a newly created corporation named *ReSolve Hydrogen Inc.* ("RHI") in exchange for total consideration of i) 4,000,000 common shares of the Corporation; and ii) a \$50,000 cash payment to *Resolve Energie Inc.* RHI was transferred from *ReSolve Energie Inc.* three patent-pending technologies on hydrogen detection and storage/production and 119 highly prospective mineral exploration claims across 7 claim blocks, covering 6,613 hectares (66 km²) in Northern Quebec.

The Investment in ReSolve Hydrogen Inc. ("RHI"), over which the Corporation has joint control, is reported using the equity method of accounting. Under the equity method, the investment is initially recognized at cost and subsequently adjusted for the Corporation's share of the associate's net income (loss), and other comprehensive income (loss). Given no operations in RHI since inception in January 2025, there was no equity pickup as there was no net income (loss), and other comprehensive income (loss) in RHI.

The fair value of the *ReSolve Hydrogen Inc.* was reported on the Statement of Financial Position using the share price at the date of issuance which amounted to \$340,000 less \$40,800 reflecting a DLOM for the four month exchange hold period. *ReSolve Hydrogen Inc.* had no activity or operations from the date of incorporation. No indicators of impairment were identified as at the end of the year.

6. Share Capital

Authorized share capital

The Corporation is authorized to issue an unlimited number of Common shares without par value.

Capital stock transactions

In January 2025, QNB acquired a 49.9% interest (50.1% *ReSolve Energie Inc.*) in a newly created corporation named *ReSolve Hydrogen Inc.* in exchange for total consideration to *ReSolve Energie Inc.* of i) 4,000,000 common shares of the Corporation at a deemed price of \$0.10 and ii) a \$50,000 cash payment. The fair value of the *ReSolve Hydrogen Inc.* was reported on the Statement of Financial Position using the share price at the date of issuance which amounted to \$340,000 less \$40,800 reflecting a DLOM for the four month exchange hold period.

In November 2024, the Corporation completed a private placement financing of \$510,000 in gross proceeds (the "Financing") and issued 10,200,000 units at a price of \$0.05 per unit ("Units") comprised of one common share and one purchase warrant exercisable at \$0.075 for eighteen months from closing. The purchase warrants are subject to an accelerated expiry if the volume weighted average trading price of the common shares is equal to or greater than \$0.10 for a period of ten (10) consecutive trading days. There was a total of \$20,184 in cash finders' and other fees paid, 310,000 broker compensation warrants under the same terms as the purchase warrants, and 50,000 broker compensation warrants exercisable at \$0.14 for eighteen months from closing. Insiders subscribed for \$7,500 or 150,000 units of the Financing. Other issue costs were \$10,153.

In November 2024, the Corporation issued 6,100,000 common shares ("Shares") to settle \$305,000 in debt to shareholders and contractors. The fair value of the Shares to the contractors at the issue date was \$60,000 and a \$20,000 loss on debt settlement was reported on the Statement of Loss, Comprehensive Loss and Deficit and as a reduction of share capital on the Statement of Changes in Shareholders' Equity. The transaction with the shareholders amounting to \$265,000 was reported as shareholder transactions with fair value adjustments recorded directly in the Statement of Changes in Shareholders' Equity. A total of 5,060,000 Shares were issued to the former President and CEO, 240,000 Shares to a former director, and 800,000 Shares to an arm's length contractor. A former director subscribed for \$7,500 or 150,000 units of the private placement financing completed in November 2024.

Warrants

In November 2024, in conjunction with the private placement financing of \$510,000, the Corporation issued 10,200,000 purchase warrants exercisable at \$0.075 with an expiry date of May 2026. The purchase warrants are subject to an accelerated expiry if the volume weighted average trading price of the common shares is equal to or greater than \$0.10 for a period of ten (10) consecutive trading days ("Accelerated Expiry").

In connection with the November 2024 financing, the Corporation issued 310,000 broker compensation warrants exercisable at \$0.075. The estimated fair value, with an eighteen (18) month term, was \$25,705 using the Black Scholes valuation model and was reported as non cash Issue Costs on the Statement of Changes in Equity.

In connection with the November 2024 financing, the Corporation issued 50,000 broker compensation warrants exercisable at \$0.14, both with an expiry date of May 2026. The estimated fair value, with an eighteen (18) month term, was \$3,734 using the Black Scholes valuation model and was reported as non cash Issue Costs on the Statement of Changes in Equity.

Warrant details are as follows:

	Exercise Price	Expiry Date	Three months ended	Year ended
			July 31, 2025	April 30, 2025
			#	#
Outstanding, beginning of period				
Purchase warrants	\$0.075	May 2026	10,200,000	-
Broker warrants	\$0.075	May 2026	310,000	-
Broker warrants	\$0.140	May 2026	50,000	-
Purchase warrants	\$0.40	Jun 2025	1,300,000	1,300,000
Purchase warrants	\$0.40	Oct 2025	850,000	850,000
			12,710,000	2,150,000
Issued during the period				
Purchase warrants ¹	\$0.075	May 2026	-	10,200,000
Broker warrants ²	\$0.075	May 2026	-	310,000
Broker warrants ³	\$0.140	May 2026	-	50,000
			-	10,560,000
Expired during the period				
Purchase warrants ⁴	\$0.40	Jun 2025	(1,300,000)	-
			(1,300,000)	-
Outstanding, end of period				
Purchase warrants	\$0.075	May 2026	10,200,000	10,200,000
Broker warrants	\$0.075	May 2026	310,000	310,000
Broker warrants	\$0.140	May 2026	50,000	50,000
Purchase warrants	\$0.40	Oct 2025	850,000	850,000
Purchase warrants	\$0.40	Jun 2025	-	1,300,000
			11,410,000	12,710,000

(1) In November 2024, in connection with the \$510,000 private placement, the Corporation issued 10,200,000 purchase warrants exercisable at \$0.075. The estimated fair value, with an eighteen (18) month term, was \$309,000 using the Barrier pricing model. The weighted average grant date fair value was \$0.03 per warrant. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 18 months, expected volatility: 185%, and expected dividend yield: 0.00%.

(2) In November 2024, in connection with the \$510,000 private placement, the Corporation issued 310,000 broker compensation warrants exercisable at \$0.075. The estimated fair value, with an eighteen (18) month term, was \$25,705 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.083 per warrant. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 18 months, expected volatility: 185%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

(3) In November 2024, in connection with the \$510,000 private placement, the Corporation issued 50,000 broker compensation warrants exercisable at \$0.14. The estimated fair value, with an eighteen (18) month term, was \$3,734 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.075 per warrant. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 18 months, expected volatility: 185%, expected dividend yield: 0.00%, and forfeiture rate: 0.

(4) In June 2025, 1,300,000 purchase warrants expired unexercised.

Share-based payments

The Corporation offers a stock option plan for its officers, directors, employees and consultants. The fair value of stock options for each vesting period is determined using the Black Scholes option pricing model and is recorded over the vesting period as an increase to stock-based compensation and contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the exercise of stock options, the proceeds received by the Corporation and the related contributed surplus are recorded as an increase to share capital. In the event that vested stock options expire, previously

recognized share-based compensation is not reversed. In the event that stock options are forfeited, previously recognized share-based compensation associated with the unvested portion of the stock options forfeited is reversed.

The fair value of share-based payment transactions to non-employees and other share-based payments including shares issued to acquire exploration and evaluation assets are based on the fair value of the goods and services received. If the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Corporation receives the goods or services.

In April 2025, the Corporation granted 200,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.05, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$9,875 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.05 per stock option.

In December 2024, the Corporation granted 500,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.08, with immediate vesting, and a five-year term. The estimated fair value, with a five-year term and immediate vesting, was \$39,941 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.08 per stock option.

In November 2024, the Corporation granted 650,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.08, with immediate vesting, and a five-year term. The estimated fair value, with a five-year term and immediate vesting, was \$51,924 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.08 per stock option.

In September 2024, the Corporation granted 1,600,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.075, with immediate vesting, and a five-year term. The estimated fair value, with a five-year term and immediate vesting, was \$79,995 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.05 per stock option.

The outstanding stock option details follow:

	Three months ended July 31, 2025		Year ended April 30, 2025	
	Weighted Average Exercise	# Options	Weighted Average Exercise Price	# Options
Outstanding, beginning of period	\$0.08	2,550,000	\$0.10	1,000,000
Transactions during the period:				
Granted ⁽¹⁾	-	-	0.08	2,950,000
Expired ⁽²⁾	-	-	0.09	(1,400,000)
Outstanding, end of period	\$0.08	2,550,000	\$0.08	2,550,000
Weighted average remaining contractual life (years)	4.15		4.40	
Exercisable, end of period	\$0.08	2,550,000	\$0.08	2,550,000

⁽¹⁾ In April 2025, the Corporation granted 200,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.05, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$9,875 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.05 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 5 years, expected volatility: 221%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

In December 2024, the Corporation granted 500,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.08, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$39,942 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.08 per stock option. The underlying assumptions used in the

estimation of the fair values were, as follows: risk free rate: 3.00%, term: 5 years, expected volatility: 282.77%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

In November 2024, the Corporation granted 650,000 incentive stock options to officers, directors, and consultants at an exercise price of \$0.08, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$51,924 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.08 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 5 years, expected volatility: 282.71%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

In September 2024, the Corporation granted 1,600,000 incentive stock options to officers, directors, and consultants to purchase common shares at an exercise price of \$0.075, with immediate vesting, and a five year term. The estimated fair value, with a five year term and immediate vesting, was \$79,995 using the Black Scholes valuation model. The weighted average grant date fair value was \$0.05 per stock option. The underlying assumptions used in the estimation of the fair values were, as follows: risk free rate: 3.00%, term: 5 years, expected volatility: 360%, expected dividend yield: 0.00%, and forfeiture rate: 0.00%.

(2) In Q3 2025, 450,000 stock options expired unexercised. In Q4 2025, an additional 950,000 stock options expired unexercised.

7. Income taxes

The Corporation's effective tax rate, which differs from the combined federal and provincial statutory income tax rates for the three months ended July 31, 2025 (26.5%) and April 30, 2025 (26.5%), has been reconciled as follows:

	Three months ended July 31, 2025 \$	Year ended April 30, 2025 \$
Loss before income taxes	(134,209)	(479,095)
Expected income tax recovery	(35,565)	(126,960)
Increase (decrease) in income tax resulting from:		
Non-deductible expenses and other	-	53,460
Tax benefits not recognised	35,565	73,500
Deferred tax (recovery)	-	-
Composition of deferred taxes in the income statement		
Origination and reversal of tax benefits	(35,565)	(73,500)
Temporary difference not recognized	35,565	73,500
Deferred tax (recovery)	-	-

The Corporation has the following deductible temporary differences for which no deferred tax asset has been recognized:

	Three months ended July 31, 2025 \$	Year ended April 30, 2025 \$
Deferred tax assets:		
Issuance costs and other	39,992	50,115
Exploration and evaluation assets	1,025,558	1,025,558
Non-capital losses	1,259,000	1,234,000
Unrecognized deductible temporary differences	2,324,550	2,309,673

The Corporation has non-capital losses of \$1,259,000 (April 30, 2025: \$1,234,000) available for deduction against future taxable income, the balances of which will expire as follows:

Year of expiry	Three months ended July 31, 2025 \$	Year ended April 30, 2025 \$
2040	14,000	14,000
2042	301,000	301,000
2043	302,000	302,000
2044	392,000	367,000
2045	250,000	250,000
	1,259,000	1,234,000

The potential tax benefit of the above losses has not been recognized in these financial statements.

8. Related party transactions

The Corporation paid fees of \$37,500 for the three months ended July 31, 2025 (July 31, 2024: \$Nil) to a current officer for President and Chief Executive Officer (“CEO”) services provided to the Corporation under an ongoing consulting agreement. The Corporation paid fees of \$49,000 for the three months ended July 31, 2024 to a former officer for President and CEO services provided to the Corporation under a consulting agreement which ended in fiscal Q2 2025.

The President and CEO advanced a loan bearing an annual interest rate of ten percent in the amount of \$18,663 (April 30, 2025 – \$Nil) during the period to settle certain payables incurred in the normal course of operations. The full amount, including principal and interest, was fully repaid subsequent to the period.

In November 2024, the Corporation issued 5,300,000 common shares (“Shares”) to settle \$265,000 in debt. A total of 5,060,000 Shares were issued to the former President and CEO and 240,000 Shares to a former director. A former director subscribed for \$7,500 or 150,000 units of the private placement financing completed in November 2024.

These transactions, entered in the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

9. Financial instruments and risk management

The Corporation’s financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the Corporation’s objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Corporation’s financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through identifying risk appropriately, aligning risk with overall scientific research and experimental development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The carrying values for primary financial instruments, including cash and equivalents, receivables, and accounts payable and accrued liabilities approximate fair values due to their short-term maturities. The Corporation’s exposure to potential loss from financial instruments relates primarily to its cash and equivalents held with Canadian financial institutions.

There have been no major or significant changes that have had an impact on the overall risk assessment of the Corporation during the year. The objectives and strategy for the scientific research and experimental development portfolio remain unchanged.

The Corporation's mineral exploration and development activities expose it to the following financial risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Corporation's exposure to credit risk is concentrated in four specific areas: the credit risk on operating balances including interest receivable on short term deposits, and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets. No provision against these credit risk areas has been recognized in these financial statements.

The aggregate gross credit risk exposure at July 31, 2025 was \$6,474 (April 30, 2025: \$105,582), and was comprised of \$664 (April 30, 2025: \$99,772) in cash held with Canadian financial institutions with a "AA-" credit rating, and \$5,810 (April 30, 2025: \$5,810) in receivables.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Corporation's primary market risk exposures, and how those exposures are currently managed, follows:

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Corporation's financial assets and liabilities and operating costs are principally denominated in Canadian dollars. The Corporation has historically had insignificant operations in United States ("US") dollars. The Corporation has no US dollar hedging program due to its minimal exposure to financial gain or loss as a result of foreign exchange movements against the Canadian dollar.

Commodity price risk

Commodity prices, and in particular hydrogen, ethanol, heating pellets, and electricity prices, fluctuate and are affected by factors outside of the Corporation's control. This risk is not applicable as the Corporation is not currently in commercial production. The current and expected future spot prices have a significant impact on the market sentiment for investment and may impact the Corporation's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's interest rate risk is minimal as there are no outstanding loans or interest-bearing debts. The Corporation has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Corporation maintains principally all its assets in cash and equivalents.

The Corporation's liabilities were \$325,196 at July 31, 2025 (April 30, 2025: \$240,662) and includes accounts payable due in the normal course of \$286,148 (April 30, 2025: \$185,662), accrued liabilities of \$20,385 (April 30, 2025: \$55,000) and payable to related party of \$18,663 ((April 30, 2025: \$Nil).

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date. Where the counterparty has a choice of when an amount is paid, the liability has been included on the earliest date on which payment can be required.

10. Subsequent events

On July 8, 2025, the Corporation announced that it has entered into an agreement on to acquire ReSolve Energie Inc. / ReSolve Energy Inc., (“ReSolve”) a privately held company specializing in advanced biofuel technologies. The Corporation executed a share exchange agreement (“Definitive Agreement”) whereby it will acquire all the issued and outstanding common shares of ReSolve in exchange for common shares in the capital of the Corporation (the “Common Shares”) on a post-Consolidated basis at a deemed price of \$0.25 Common Share (the “Proposed Transaction”).

Upon completion of the Proposed Transaction, QNB intends to change its name to “RéSolve Energie Inc. / ReSolve Energy Inc.” and a new trading symbol is expected to be assigned by The Canadian Securities Exchange (“CSE”) for the Resulting Issuer.

As a condition to the completion of the Proposed Transaction, the Corporation or ReSolve will complete a non-brokered private placement financing via the issuance of subscription receipts (the “Subscription Receipts”) at a price of \$0.25 per Subscription Receipt for aggregate gross proceeds of a minimum of \$2,500,000 and up to a maximum of \$3,000,000 (the “Financing”). Upon the satisfaction of the escrow release conditions, each Subscription Receipt will automatically convert into one post-Consolidated Common Share.

Concurrent with the Proposed Transaction, the Corporation will complete a consolidation of its Common Shares on the basis of five (5) pre-consolidation Common Shares for one (1) post-Consolidation Common Share (the “Consolidation”). The Joint Venture will be terminated pursuant to the terms of the Definitive Agreement. The post-Consolidation Common Shares to be issued pursuant to the Proposed Transaction and Financing will be issued pursuant to exemptions from the prospectus requirements of applicable securities legislation.

On July 31, 2025, the Corporation announced the approval of each of the matters set out in the Corporation’s Management Information Circular dated July 4, 2025 at the 2025 Annual and Special Meeting of Shareholders held via webcast on July 30, 2025. All items of business were approved including the Proposed Transaction and Change of Business, share consolidation and name change.

On September 4, 2025, the Corporation announced conditional approval of the corporation’s Form 2A Listing Statement from the Canadian Securities Exchange. The Canadian Securities Exchange (“CSE”) has approved the Corporation. Fundamental Change (Resulting Issuer anticipated to be named ReSolve Energy Inc.) for listing subject to various normal course conditions. A restart of trading is expected upon closing of the transaction.

Schedule H
MD&A of QNB for the three months ended July 31, 2025

See attached.

This Management Discussion and Analysis (“MD&A”) provides a discussion and analysis of the financial condition and results of operations of QNB Metals Inc. (“QNB” or the “Corporation”) to enable a reader to assess material changes in the financial condition and results of operations of the Corporation as at and for the three months ended July 31, 2025 and should be read in conjunction with the interim financial statements and notes thereto for the three months ended July 31, 2025 and 2024. All amounts included in this MD&A are in Canadian Dollars, the Corporation’s functional currency.

The interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The Corporation operates in one segment defined as the cash generating unit which is Canada.

This MD&A has an effective date of September 24, 2025, the date this MD&A was reviewed by the Audit Committee and approved by the Board of Directors.

Additional information relating to the Corporation can be found on SEDAR at www.sedarplus.com.

The MD&A is presented in the following sections:

Page 1	Forward-Looking/Safe Harbour Statement and Fair Disclosure Statement
Page 2	Outlook, Corporate Overview
Page 2	Exploration Highlights
Page 2	Financial Review
	Operating Results, Financial Position
	Liquidity and Capital Resources
Page 5	Off-Balance Arrangements, Transactions with Related Parties
Page 5	Disclosure Controls and Procedures and Internal Controls over Financial Reporting
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FORWARD-LOOKING/SAFE HARBOUR STATEMENT AND FAIR DISCLOSURE STATEMENT

This MD&A may contain certain forward-looking statements concerning the future performance of QNB’s business, its operations and its financial performance and condition, as well as management’s objectives, strategies, beliefs and intentions. These forward-looking statements are based on information currently available to the Corporation and the Corporation provides no assurance that actual results will meet management’s expectations. Forward-looking statements include estimates and statements that describe the Corporation’s future plans, objectives or goals, its ability to access capital, the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and reliance on key personnel, and include words to the effect that the Corporation or management expects a stated condition or result to occur. This list is not exhaustive of the factors that may affect any of the Corporation’s forward-looking statements. Statements relating to estimates of resources are also forward-looking statements as they involve risks and assumptions, including but not limited to assumptions with respect to future commodity prices and production economics, that the reserves and resources described exist in the quantities and grades estimated and are capable of economic extraction. Forward-looking statements may be identified by such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. All forward-looking information is inherently uncertain and subject to risks, uncertainties, and a variety of assumptions to address future events and conditions. These and other factors should be considered carefully and readers should not place undue reliance on the Corporation’s forward-looking statements. The Corporation does not undertake to update any forward-looking statement that may be made from time to time by the Corporation or on its behalf, except in accordance with applicable securities laws.

The preliminary assessments contained in the Technical Report referenced in this MD&A, and the estimates contained therein to date are preliminary in nature and are based on a number of assumptions, any one of which, if incorrect, could materially change the projected outcome. Although the Corporation believes that the expectations conveyed by the forward-looking statements are based upon information available on the date that such statements were made, there can be no assurance that such expectations will prove to be correct. All subsequent forward-looking statements, whether written or orally attributable to the Corporation or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements.

OUTLOOK

QNB Metals Inc. is an exploration company committed to identifying and advancing opportunities in the natural resource and clean energy sectors and also holds mineral exploration claims on its *Kingsville Salt Project*.

The Corporation holds a 49.9% interest in *Resolve Hydrogen Inc.* which holds patent pending hydrogen detection and storage/production methodologies from geological sources and a highly prospective land package consisting of 119 mineral exploration claims, across 7 claim blocks, covering 6,613 hectares (66 km²) in Northern Quebec, Canada. The land package is eligible for Quebec super flow through exploration incentives. Fieldwork on these hydrogen claims, with technical support from *Resolve Energie Inc.*, is expected to commence in fiscal 2026.

On July 31, 2025, the Corporation announced the approval of each of the matters set out in the Corporation's Management Information Circular dated July 4, 2025 at the 2025 Annual and Special Meeting of Shareholders held via webcast on July 30, 2025. All items of business were approved including the Proposed Transaction and Change of Business, share consolidation and name change.

On September 4, 2025, the Corporation announced conditional approval of the corporation's Form 2A Listing Statement from the Canadian Securities Exchange. The Canadian Securities Exchange ("CSE") has approved the Corporation. Fundamental Change (Resulting Issuer anticipated to be named ReSolve Energy Inc.) for listing subject to various normal course conditions. A restart of trading is expected upon closing of the transaction.

CORPORATE OVERVIEW

QNB Metals Inc. was incorporated under the Canada Business Corporations Act on October 19, 2020. The Company holds a 49.9% interest in *Resolve Hydrogen Inc.* which holds a highly prospective land package in Ontario and Quebec, using leading patent pending detection and storage technologies and proprietary methodologies, with its joint venture partner who provides technical support and direction, *ReSolve Energie Inc.*

The Corporation also holds the Kingsville Salt Reservoir Project in Nova Scotia. The address of its head office is 2700-1000 rue Sherbrooke West, Montréal Québec, H3A 3G4, Canada. The Corporation's shares trade on the Canadian Securities Exchange ("CSE") under the symbol "TIM.X".

The Corporation is engaged in the business of acquiring and exploring mineral projects in the hope of locating economic deposits of minerals. QNB holds the Kingsville Salt Project, an exploration project located in the area of Kingsville, on Nova Scotia's Cape Breton Island, approximately 20 km north of the Port Hawkesbury / Point Tupper industrial area in the Strait of Canso. The project is being explored for the presence of a natural reservoir and salt occurrences to capture and store carbon gas for industrial operations.

EXPLORATION HIGHLIGHTS

The Corporation did not undertake any exploration activities during the three months ended July 31, 2025.

FINANCIAL REVIEW

The financial statements, including comparatives, have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future. The Corporation is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there is significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Corporation's funding initiatives will continue to be successful and the Corporation's financial statements do not reflect the adjustments to the

carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material. The Corporation will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

This section discusses significant changes in the Statements of Financial Position, Statements of Changes in Shareholders' Equity, Statements of Loss, Comprehensive Loss and Deficit, and Statements of Cash Flows for the three months ended July 31, 2025.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes the Corporation's key consolidated financial information for the last eight quarters:

	2026	2025				2024		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Statements of comprehensive loss (for the three month periods ended)								
Operating expenses	134,209	144,277	125,927	144,215	64,676	169,941	76,840	274,684
Loss and comprehensive loss	134,209	144,277	125,927	144,215	64,676	169,941	76,840	274,684
Loss per share Basic and diluted	0.00	0.00	0.00	0.00	0.00	0.01	0.02	0.02
Statements of financial position (at end of quarter)								
Cash	664	99,772	258,621	176	27,340	19,621	22,316	38,913
Receivables & Prepaid expenses	159,110	109,677	44,645	32,515	33,872	71,851	57,216	53,094
Interest in ReSolve Hydrogen Inc.	349,200	349,200	-	-	-			0
Total assets	508,974	558,649	303,266	32,691	61,211	91,742	79,531	92,007
Total liabilities	325,196	240,662	219,999	650,105	614,404	579,989	395,217	330,852
Equity	183,778	317,987	533,267	(617,414)	(553,193)	(488,517)	(315,685)	(238,845)

SIGNIFICANT EVENTS DURING Q1 2026

The Corporation did not undertake any exploration activities during the three months ended July 31, 2025.

CONSOLIDATED OPERATING RESULTS

This section should be read in conjunction with the Statements of Loss, Comprehensive Loss and Deficit for the three months ended July 31, 2025 and the corresponding notes thereto.

The Corporation reported a loss and comprehensive loss of \$134,209 for the three months ended July 31, 2025 as compared to \$64,676 for the three months ended July 31, 2024. The variation primarily relates to an increase in legal and audit fees of \$46,421 during the three months ended July 31, 2025.

Management fees were \$58,333 for the three months ended July 31, 2025 as compared to \$49,500 for the three months ended July 31, 2024. General & administration expenses were \$29,455 for the three months ended July 31, 2025 up from \$15,176 for the three months ended July 31, 2024. Legal and audit expenses were \$49,421 for the three months ended July 31, 2025 as compared to \$Nil for the three months ended July 31, 2024.

FINANCIAL POSITION

This section should be read in conjunction with the Statements of Financial Position and Statements of Changes in Shareholders' Equity at July 31, 2025 and the corresponding notes thereto.

Assets

The current assets were \$159,774 at July 31, 2025 as compared to \$209,449 at April 30, 2025. Cash in bank was \$664 at July 31, 2025 as compared to \$99,772 at April 30, 2025. Prepaid expenses were \$22,447 at July 31, 2025 as compared to \$Nil at April 30, 2025. Receivables were \$5,810 at July 31, 2025 as compared to \$5,810 as at April 30, 2025. Sales taxes recoverable was \$130,853 at July 31, 2025 as compared to \$103,867 at April 30, 2025.

Liabilities

Liabilities were \$325,196 at July 31, 2025 (April 30, 2025: \$240,662) and included accounts payable due in the normal course of \$286,148 (April 30, 2025: \$185,662), accrued liabilities of \$20,385 (April 30, 2025: \$55,000) and payable to related party of \$18,663 (April 30, 2025: \$Nil).

Shareholders' equity (deficit)

Shareholders' equity was \$183,778 at July 31, 2025 as compared to a deficit of \$317,987 at April 30, 2025. The change is primarily due to the loss and comprehensive loss of \$134,209 for the three months ended July 31, 2025.

LIQUIDITY AND CAPITAL RESOURCES

This section should be read in conjunction with the Statements of Financial Position at July 31, 2025 and the corresponding notes thereto.

The working capital ratio at July 31, 2025 was 0.49 : 1 as compared to working capital ratio of 0.87 : 1 at April 30, 2025. At July 31, 2025, the Corporation held cash and equivalents of \$664 (April 30, 2025: \$99,772), prepaid expenses of \$22,447 (April 30, 2025: \$Nil), receivables of \$5,810 (April 30, 2025: \$5,810), and sales taxes recoverable of \$130,853 (April 30, 2025: \$103,867).

Current liabilities at July 31, 2025 included accounts payable due in the normal course of \$286,148 (April 30, 2025: \$185,662), accrued liabilities of \$20,385 (April 30, 2025: \$55,000) and payable to related party of \$18,663 (April 30, 2025: \$Nil).

The Corporation manages capital, based on its cash and equivalents and ongoing working capital, with an objective of safeguarding the Corporation's ability to continue as a going concern, maximizing the funds invested into exploration activities, exploring its projects, and considering additional financings which minimize shareholder dilution. There were no changes in the Corporation's approach to capital management during the three months ended July 31, 2025.

The Corporation's capital structure reflects a company focused on mineral exploration and financing both internal and external growth opportunities. The exploration for and development of mineral deposits involves significant risk which even a combination of careful evaluation, experience and knowledge may not adequately mitigate.

The Corporation manages capital in proportion to risk and manages its mineral projects and capital structure based on economic conditions and prevailing commodity pricing and trends. The Corporation relies on equity financings to maintain adequate liquidity to support its ongoing exploration and development activities and ongoing working capital commitments. QNB has not earned significant revenues to date. As a result, the most meaningful information concerning the Corporation's financial position relates to its liquidity and solvency position. The Corporation raises funds for its operations primarily through the issuance of common shares.

The Corporation believes that it has sufficient working capital to meet its current obligations and currently planned operating costs and expenditures on its mineral projects. The Corporation intends to strategically advance its mineral projects by way of additional exploration programs. QNB intends to seek additional capital resources, when required, from equity financings, including flow-through, as market conditions permit. Although the Corporation has been successful in the past in raising funds, there can be no assurance that any funding required by the Corporation in the future will be available to it and, if such funding is available, that it will be offered on reasonable terms. In the event the Corporation is unsuccessful at raising such funds, it may not be able to continue as a going concern. QNB has no material commitments or contractual obligations with respect to the development of any mineral projects beyond those that would be considered as part of normal business.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The Corporation paid fees of \$37,500 for the three months ended July 31, 2025 (July 31, 2024: \$Nil) to a current officer for President and Chief Executive Officer (“CEO”) services provided to the Corporation under an ongoing consulting agreement. The Corporation paid fees of \$49,000 for the three months ended July 31, 2024 to a former officer for President and CEO services provided to the Corporation under a consulting agreement which ended in fiscal Q2 2025.

The President and CEO advanced a loan bearing an annual interest rate of ten percent in the amount of \$18,663 (April 30, 2025 – \$Nil) during the period to settle certain payables incurred in the normal course of operations. The full amount, including principal and interest, was fully repaid subsequent to the period.

In November 2024, the Corporation issued 5,300,000 common shares (“Shares”) to settle \$265,000 in debt. A total of 5,060,000 Shares were issued to the former President and CEO and 240,000 Shares to a former director. A former director subscribed for \$7,500 or 150,000 units of the private placement financing completed in November 2024.

These transactions, entered in the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”), as appropriate, to permit timely decisions regarding public disclosure. The CEO and CFO have, as at July 31, 2025, designed Disclosure Controls and Procedures as defined in National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings of the Canadian Securities Administrators, or caused them to be designed under their supervision, to provide reasonable assurance that material information relating to the Corporation, disclosed in its annual and interim filings, is reported within the respective time periods specified under securities legislation. The Corporation’s CEO and CFO have each evaluated the design and effectiveness of the Corporation’s disclosure controls and procedures and have concluded that they are operating effectively as at July 31, 2025.

Internal Control over Financial Reporting

The CEO and CFO are responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of the CEO and CFO, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Based on a review of its internal control procedures at the end of the year covered by this MD&A, the CEO and CFO have concluded that the internal controls and procedures are appropriately designed and effective, in all material respects, as at July 31, 2025.

Management works to mitigate the risk of a material misstatement in financial reporting; however, a control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, including the possibility of human error and the circumvention or overriding of the controls and procedures by an individual or groups of individuals acting in collusion, they cannot provide absolute assurance that all control issues and instances of fraud, if any, have been prevented or detected. Due to inherent limitations, internal controls over financial reporting and disclosure may not prevent or detect all misstatements. Management will continue to monitor the effectiveness of its internal control over financial reporting and disclosure controls and procedures and may make modifications from time to time as considered necessary.

There were no changes to the Corporation's internal controls during 2025 that have materially affected, or are likely to materially affect, the internal controls over financial reporting or disclosure controls and procedures. The CEO and CFO will continue to monitor the effectiveness of the internal controls over financial reporting and disclosure controls and procedures and will make changes to the controls as and when appropriate.

CRITICAL ACCOUNTING ESTIMATES

QNB's material accounting policies are summarized in note 3 to the financial statements for the three months ended July 31, 2025. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Significant areas requiring the use of management estimates include, but are not limited to, the determination of carrying value of exploration and evaluation assets, the valuation of share-based compensation transactions, the valuation of purchase warrants issued on financings, deferred income tax assets and liabilities, and accrued liabilities and contingencies. Estimates and assumptions are regularly evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ from these estimates.

The following are the areas involving estimates made in the process of applying the Corporation's accounting policies that have a significant effect on the amounts recognized in the financial statements.

Share based payments

Management measures the fair value of granted stock options using the Black-Scholes option valuation model. The fair value of stock options using valuation models is only an estimate of their potential value and requires the use of estimates and assumptions.

Exploration and evaluation expenditures

The application of the Corporation's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale of the property, or where exploration activities are not adequately advanced to support a resource assessment. The

determination is an estimation process that requires varying degrees of uncertainty and these estimates directly impact the deferral of exploration and evaluation expenditures.

Impairment of long-lived assets

The carrying amounts of exploration and evaluation assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. If there are indicators of impairment, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount. Such review is undertaken on a property by property basis. The assessment requires the use of estimates and assumptions such as, but not limited to, long-term commodity prices, future capital requirements, resource estimates, and exploration potential. It is possible that the actual fair value could be significantly different from those assumptions, and changes in these assumptions will affect the recoverable amount of the exploration and evaluation assets.

Decommissioning and restoration provision

The Corporation records the fair value of estimated costs of legal and constructive obligations required to restore operating locations in the year in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation, and re-vegetation of affected areas.

The estimated fair value of a liability, and corresponding increase in the related property, is reported in the year in which it is incurred and when a reasonable estimate of fair value can be made. The fair value is the amount at which that liability could be settled in a current transaction between willing parties, that is, other than in a forced or liquidation transaction and, in the absence of observable market transactions, is determined as the present value of expected cash flows. The Corporation subsequently allocates the cost to expense using a systematic and rational method over its useful life, and records the accretion of the liability as a charge to the Statement of Loss, Comprehensive Loss and Deficit.

As the Corporation has not commenced construction and development of any mining operations, it does not have any provisions for decommissioning or restoration costs.

Contingent Liabilities

Contingent liabilities are not recognized in the financial statements unless estimable and probable and are disclosed in notes to the financial statements unless their occurrence is remote. By their nature, contingent liabilities will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

CHANGES IN ACCOUNTING POLICIES / ADOPTION OF NEW ACCOUNTING STANDARDS

There were changes in accounting policies during the period.

New Accounting Policies Not Yet Adopted

The Corporation has not yet adopted certain new standards, amendments and interpretations to existing standards effective for accounting periods beginning on or after October 1, 2024 or later periods. The new and amended standards are not expected to have a material impact on the Corporation except for the below standards.

IFRS 9: *Financial Instruments* requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard also provides guidance on the derecognition of financial liabilities, which can impact bank reconciliation processes, especially during debt restructuring.

Amendments to IFRS 9 and IFRS 7: *Financial Instruments, Disclosures*, effective for reporting periods beginning on or after January 1, 2026, address classification and measurement of financial instruments. The Corporation is assessing the impact of these amendments on its financial statements.

IFRS 18: *Presentation and Disclosure in Financial Statements* aims to improve the consistency and clarity of financial statement presentation and disclosure by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Corporation is currently assessing the impact on its financial statements.

RECENT ACCOUNTING PRONOUNCEMENTS

IAS 21: The Effects of Changes in Foreign Exchange Rates

IAS 21 outlines how to account for transactions in foreign currencies and how to translate financial statements of foreign operations into a presentation currency and is effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted. The amendment addresses situations where a foreign currency is not exchangeable into another currency (e.g., due to government restrictions or illiquidity in the market). It provides a definition of exchangeability, guidance on determining the exchange rate to use when exchangeability is temporarily or permanently lacking and required disclosures to enhance transparency. The Corporation is currently evaluating the impact of this amendment which is not expected to have a material impact on the financial statements.

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Corporation. Management anticipates that all of the pronouncements will be adopted in the Corporation's accounting policy for the first period beginning after the effective date of each pronouncement.

Information on new standards, amendments and interpretations have been issued but are not expected to have a material impact on the financial statements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Corporation's financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the Corporation's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Corporation's statement of financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through identifying risk appropriately, aligning risk with overall exploration and development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received. Subsequent to initial recognition, fair value is determined by management using available market information or other valuation methodologies.

The fair value of cash and equivalents, receivables, and accounts payable and accrued liabilities, approximate their carrying amounts due to their short-term maturities.

There have been no major or significant changes that have had an impact on the overall risk assessment of the Corporation during the period. The objectives and strategy for the exploration and evaluation assets remains unchanged.

The Corporation's exploration and development activities expose it to the following financial risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's exposure to credit risk is concentrated in three specific areas: the credit risk on operating balances including other receivables and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets.

The aggregate gross credit risk exposure at July 31, 2025 was \$6,474 (April 30, 2025: \$105,582), and was comprised of \$664 (April 30, 2025: \$99,772) in cash held with Canadian financial institutions with a "AA-" credit rating, and \$5,810 (April 30, 2025: \$5,810) in receivables.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Corporation's primary market risk exposures, and how those exposures are currently managed, follows:

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Corporation's financial assets and liabilities and operating costs are principally denominated in Canadian dollars. The Corporation has historically had insignificant operations in United States ("US") dollars. The Corporation has no US dollar hedging program due to its minimal exposure to financial gain or loss as a result of foreign exchange movements against the Canadian dollar.

Commodity price risk

Commodity prices, and in particular commodity spot prices, fluctuate and are affected by factors outside of the Corporation's control. This risk is not applicable as the Corporation is not currently in commercial production. The current and expected future spot prices have a significant impact on the market sentiment for investment in mineral exploration companies and may impact the Corporation's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's interest rate risk is minimal as there are no outstanding loans or interest-bearing debts. The Corporation has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Corporation maintains principally all its assets in cash and equivalents.

The Corporation believes that its cash position provides adequate liquidity to meet the Corporation's near-term obligations, subject to unforeseen circumstances.

CONTINGENT LIABILITIES

Governmental laws and regulations regarding environmental protection regulate the Corporation's operations. The environmental consequences are not easily identifiable, either in terms of results, the impacts or the expiration date. Currently, and to the best knowledge of its management, the Corporation is in conformity with current laws and regulations.

OUTSTANDING SHARE DATA

As at July 31, 2025, the Corporation had a total of 46,749,961 (April 30, 2025: 46,749,961) common shares outstanding, 2,550,000 (April 30, 2025: 2,550,000) stock options outstanding at an average exercise price of \$0.08 per share (April 30, 2025: \$0.08), and 11,050,000 purchase warrants and 360,000 broker warrants exercisable between \$0.075 - \$0.40 and expiring June 2025, October 2025 and May 2026 (April 30, 2025: 12,350,000 purchase warrants and 360,000 broker warrants exercisable between \$0.075 - \$0.40 and expiring June 2025, October 2025 and May 2026). Additional details are available in note 6 to the interim financial statements for the three months ended July 31, 2025.

SUBSEQUENT EVENTS

On July 8, 2025, the Corporation announced that it has entered into an agreement on to acquire ReSolve Energie Inc. / ReSolve Energy Inc., (“ReSolve”) a privately held company specializing in advanced biofuel technologies. The Corporation executed a share exchange agreement (“Definitive Agreement”) whereby it will acquire all the issued and outstanding common shares of ReSolve in exchange for common shares in the capital of the Corporation (the “Common Shares”) on a post-Consolidated basis at a deemed price of \$0.25 Common Share (the “Proposed Transaction”).

Upon completion of the Proposed Transaction, QNB intends to change its name to “RéSolve Energie Inc. / ReSolve Energy Inc.” and a new trading symbol is expected to be assigned by The Canadian Securities Exchange (“CSE”) for the Resulting Issuer.

As a condition to the completion of the Proposed Transaction, the Corporation or ReSolve will complete a non-brokered private placement financing via the issuance of subscription receipts (the “Subscription Receipts”) at a price of \$0.25 per Subscription Receipt for aggregate gross proceeds of a minimum of \$2,500,000 and up to a maximum of \$3,000,000 (the “Financing”). Upon the satisfaction of the escrow release conditions, each Subscription Receipt will automatically convert into one post-Consolidated Common Share.

Concurrent with the Proposed Transaction, the Corporation will complete a consolidation of its Common Shares on the basis of five (5) pre-consolidation Common Shares for one (1) post-Consolidation Common Share (the “Consolidation”). The Joint Venture will be terminated pursuant to the terms of the Definitive Agreement. The post-Consolidation Common Shares to be issued pursuant to the Proposed Transaction and Financing will be issued pursuant to exemptions from the prospectus requirements of applicable securities legislation.

On July 31, 2025, the Corporation announced the approval of each of the matters set out in the Corporation’s Management Information Circular dated July 4, 2025 at the 2025 Annual and Special Meeting of Shareholders held via webcast on July 30, 2025. All items of business were approved including the Proposed Transaction and Change of Business, share consolidation and name change.

On September 4, 2025, the Corporation announced conditional approval of the corporation’s Form 2A Listing Statement from the Canadian Securities Exchange. The Canadian Securities Exchange (“CSE”) has approved the Corporation. Fundamental Change (Resulting Issuer anticipated to be named ReSolve Energy Inc.) for listing subject to various normal course conditions. A restart of trading is expected upon closing of the transaction.

Schedule I
Unaudited Pro Forma Financial Statements for the Resulting Issuer as at July 31, 2025

See attached.

Resolve Energie Inc / Resolve Energy Inc. (formerly QNB Metals Inc.)

Pro Forma Consolidated Financial Statements

As at and for the period ended July 31, 2025

(Expressed in Canadian dollars)

(Unaudited)



Pro Forma Consolidated Statement of Comprehensive Income (Loss) and Deficit for the periods ended	QNB Metals Inc. July 31, 2025 \$	ReSolve Energie Inc. May 31, 2025 \$	Notes	Pro-forma Adjustments \$	Pro-forma Resulting Issuer \$
Other Income					
Rental income	-	27,311		-	27,311
	-	27,311		-	27,311
Expenses					
Management fees	58,333	-		-	58,333
General & administration	29,455	22,318		-	51,773
Legal & audit	46,421	48,182		-	94,603
Wages and benefits	-	29,517		-	29,517
Depreciation - property plant and equipment	-	10,364		-	10,364
Listing expenses	-	-		2,622,462	2,622,462
	134,209	110,381		-	2,867,052
Deferred taxes	-	-	v	-	-
Loss before other items	(134,209)	(83,070)		-	(2,839,741)
Other items					
Loss on marketable securities	-	(20,000)	vi	-	(20,000)
Income (loss) and comprehensive income (loss)	(134,209)	(103,070)		-	(2,839,741)
Deficit, beginning of year	(2,371,458)	(6,093,368)		-	(6,311,763)
Warrant expiry	57,200	-		-	-
Deficit, end of year	(2,448,467)	(6,196,438)		-	(9,151,504)
Earnings (loss) per share (basic and diluted)	(\$0.00)	(\$0.00)		-	(\$0.08)
Weighted average outstanding shares	46,749,961	22,154,370		-	36,549,992

1. Basis of presentation

On July 4, 2025, QNB Metals Inc. announced a Definitive Agreement (“Agreement”) to acquire all the issued and outstanding shares of ReSolve Energie Inc. / ReSolve Energy Inc., a private company with leading hydrogen and biofuel technology (the “Transaction”).

QNB Metals Inc.

QNB Metals Inc. (“QNB” or the “Corporation”) was incorporated under the Canada Business Corporations Act on October 19, 2020. The principal business of the Corporation is an exploration and development company committed to identifying and advancing opportunities in the natural and mineral resource and clean energy sectors. QNB holds a 49.9% interest in *Resolve Hydrogen Inc.* that holds a highly prospective land package in Ontario and Quebec, and leading patent pending detection and storage technologies and proprietary methodologies.

QNB’s head office address is 2700-1000 rue Sherbrooke West, Montréal Québec, H3A 3G4, Canada. The Corporation’s shares trade on the Canadian Securities Exchange (“CSE”) under the symbol “TIM.X”. The functional currency of QNB is the Canadian dollar.

ReSolve Energie Inc. / ReSolve Energy Inc.

ReSolve Energie Inc. / ReSolve Energy Inc. (“Resolve”) is a private company incorporated under Canadian federal charter on December 17, 2015. The principal business of the Resolve is the advancement of intellectual property and scientific research and experimental development in the natural and mineral resource and clean energy sectors. Resolve holds patent pending technologies in biofuel generation being advanced to full commercialization and in hydrogen.

Resolve’s main office is 4690 rue Roberge, Lac-Mégantic, Quebec, G6B 2V9. Resolve holds a 50.1% interest in *Resolve Hydrogen Inc.* with the balance of 49.9% being held by QNB. The functional currency of Resolve is the Canadian dollar.

These Pro Forma Consolidated Financial Statements as at July 31, 2025 (“Pro Forma Financial Statements”), prepared by management for inclusion in QNB’s filing statement (the “Filing Statement”), is the result of combining the QNB reviewed Interim Statements of Financial Position as at July 31, 2025 and Statements of Comprehensive Income (Loss) and Deficit for the period ended July 31, 2025 and the ReSolve reviewed Interim Statements of Financial Position as at May 31, 2025 and Statements of Comprehensive Income (Loss) and Deficit for the period ended May 31, 2025, and gives effect to the Transaction as if it had occurred as at July 31, 2025 (“Resulting Issuer”).

The Pro Forma Financial Statements have been prepared in accordance with *International Financial Reporting Standards* (“IFRS®”), as issued by the *International Accounting Standards Board*, and is consistent with no material differences in accounting policies between QNB and Resolve. The accounting policies used in the preparation of the Pro Forma Financial Statements are those set out in the QNB reviewed interim financial statements for the period ended July 31, 2025 and ReSolve reviewed interim financial statements for the period ended May 31, 2025. Certain figures of ReSolve in the Pro Forma Financial Statements have been re-classified to conform to the QNB financial statement presentation including sales taxes payable in QNB and with the sales taxes recoverable in ReSolve.

It is management of QNB’s opinion that the Pro Forma Financial Statements includes all adjustments required for the fair presentation, in all material respects, of the Transaction further described in Note 2.

The Pro Forma Financial Statements were prepared for illustration purposes, only applying pro forma adjustments to the historical financial statements of QNB and ReSolve. The pro forma information is not necessarily indicative of the results that would have actually occurred if the Transaction had taken place on the dates indicated or of the results which may be obtained for any future period or as of any future date. Actual amounts recorded pursuant to the

Agreement may differ from those recorded in the Pro Forma Financial Statements.

2. Accounting Treatment

The Transaction has been accounted for as a reverse transaction ("RTO") in accordance with IFRS 2, *Share-based Payments* as it does not meet the definition of a business and is outside the scope of a business combination under IFRS 3, *Business Combinations*. The Transaction is accounted for as the acquisition of a listed entity by ReSolve through the issuance of shares by the Resulting Issuer for the net assets and the listing status of QNB.

The Pro Forma Financial Statements are presented as a continuation of ReSolve. The equity structure, including the continuation of the Warrant reserve and Share Based Compensation reserve, reflects QNB, the legal parent.

3. Summary of proposed transaction

QNB is expected to change its name to *ReSolve Energie Inc.*, / *ReSolve Energy Inc.*, change to an updated ticker, and continue the business of Resolve in two distinct subsidiaries, under two business segments: biofuel and hydrogen, that will form the Resulting Issuer.

Immediately prior to the completion of the Transaction, it is anticipated that QNB will consolidate its issued and outstanding QNB common shares on the basis of one (1) post-consolidation QNB common share for every five (5) pre-consolidation QNB common shares ("Share Consolidation").

As consideration for all the issued and outstanding common shares of Resolve, holders of the issued and outstanding Resolve common shares will receive approximately 0.8124 common shares of the Resulting Issuer, on a Post-Share Consolidation basis, for each common share held immediately prior to the Transaction (the "Exchange Ratio"). The QNB common shares issued to former ReSolve shareholders are mostly expected to be subject to standard regulatory escrow release of shares eligible for sale over a thirty-six month period.

In connection with the Transaction, ReSolve or QNB intends to complete a non brokered private placement financing (the "Financing") to raise minimum gross proceeds of \$2,500,000 (the "Minimum Financing") and a maximum of \$3,000,000, by way of issuance of subscription receipts (each, a "Subscription Receipt") of QNB at a price of \$0.25 per Subscription Receipt. The proceeds from the Subscription Receipts will be held in trust until the Transaction closes. Each Subscription Receipt will automatically convert, without any further action by the holder thereof and for no additional consideration, into one Common Share of Resulting Issuer upon closing of the Transaction. The net proceeds of the Financing will be used to setup and operate the biofuel demonstration plant and for general working capital purposes.

Upon completion of the Transaction and the Minimum Financing, on a non-diluted basis, it is expected that: (i) the former QNB shareholders will hold approximately 24% of the Resulting Issuer shares; (ii) the former shareholders of Resolve will hold approximately 49% of the Resulting Issuer shares; and (iii) investors in the Minimum Financing will hold approximately 27% of the Resulting Issuer shares. These percentages will change subject to the actual amount of the Subscription Receipts up to \$3,000,000.

Immediately prior to the Transaction, the outstanding securities held in QNB were, as follows:

- i) 46,749,961 common shares outstanding;
- ii) 2,550,000 stock options outstanding at a weighted average exercise price of \$0.08 per share;
- iii) 11,050,000 purchase warrants and 360,000 broker warrants exercisable between \$0.075 - \$0.40 and expiring October 2025 and May 2026.

Resolve Energie Inc / Resolve Energy Inc. (formerly QNB Metals Inc.)

Pro Forma Consolidated Financial Statements

As at and for the period ended July 31, 2025

(Expressed in Canadian dollars)

(Unaudited)



Following the Transaction, the outstanding securities previously held in QNB will be exchanged for the following securities in the Resulting Issuer:

- i) 9,349,992 common shares less 800,000 common shares (on cancellation of 4 million pre consolidation shares issued to ReSolve);
- ii) 510,000 stock options outstanding at a weighted average exercise price of \$0.40 per share;
- iii) 2,210,000 purchase warrants and 72,000 broker warrants exercisable between \$0.375 - \$2.00 and expiring October 2025 and May 2026.

Immediately prior to the Transaction, the outstanding common shares held in Resolve were, as follows:

- i) 22,154,370 common shares;

Following the Transaction, the outstanding common shares held in Resolve will be exchanged for the following common shares in the Resulting Issuer:

- i) 18,000,000 common shares;

4. Pro Forma Assumptions and Adjustments

The key terms of the Transaction are more clearly laid out in the Filing Statement and the Agreement between QNB and Resolve. The Pro Forma Consolidated Financial Position reflects the following transactions:

- (i) Elimination of intercompany balances:
 - a. Eliminating receivable/payable of \$5,810;
 - b. Combine Sales taxes receivable in QNB with \$585 sales taxes payable in Resolve;
- (ii) Elimination of the transaction related to the ReSolve Hydrogen Inc. ("RHI") joint venture including the elimination of the Interest in ReSolve Hydrogen Inc. through the cancellation of 4,000,000 shares for \$299,200 issued by QNB to ReSolve, Marketable Securities of \$180,000 offset by the mark to market loss thereof, and related gain on sale on the transfer of hydrogen technologies and land claims to RHI reported to Deficit;
- (iii) The Listing Expense of \$2,622,462 charged to the Statement of Comprehensive (Income) Loss and Deficit was, as follows:

Listing Expense	\$	\$
Number of Shares		8,549,992
Deemed Share Price		0.25
		<u>2,137,498</u>
Discount for Lack of Marketability ("DLOM")		0.12
DLOM Value		<u>256,500</u>
		1,880,998
Continuing equity securities		
Fair Value of Warrants Reserve		361,306
Fair Value of Share based compensation		<u>214,736</u>
		2,457,040
Net Assets of QNB Acquired	183,778	
Elimination of ReSolve Hydrogen Inc	<u>(349,200)</u>	<u>(165,422)</u>
Listing Expenses		<u>2,622,462</u>

- (iv) Proposed financing of \$2.5 million at \$0.25 or 10,000,000 common shares in QNB, as a condition precedent in the closing of the Transaction, net of estimated cash finders' fees of \$125,000;



There was no material activity between May 31, 2025 and July 31, 2025 in Resolve and as a result, no pro forma adjustments have been recorded to advance the period end of May 31, 2025.

5. Key Judgments and Estimates

In preparing the Pro Forma Financial Statements, management has made significant judgments in determining the appropriate accounting treatment for the Transaction.

Significant estimation uncertainty exists with respect to the fair value determinations of certain financial instruments, including the QNB net identifiable assets and continuing equity instruments. Any adjustments arising from new information obtained about facts and circumstances that existed at the acquisition date will be retrospectively adjusted in the Resulting Issuer Consolidated Financial Statements within 12 months of the acquisition date, as permitted under IFRS®.

6. Income taxes

The pro forma effective tax rate applicable to the operations will be 26.5%.

Given the uncertainty of how and when non-capital tax loss carry forwards can be utilized, no adjustment has been made to these pro forma Financial Statements.