

QNB METALS INC.
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Form 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS
(for financial years ended April 30, 2024, April 30, 2023 and financial period ended April 30, 2022)

GENERAL

The following information, dated December 5, 2024 is provided as required under Form 51-102F6V – *Statement of Executive Compensation*, for Venture Issuers (the “**Form**”), as such term is defined in National Instrument 51-102.

For the purposes of this Form:

“**Company**” means QNB Metals Inc.;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

“**external management company**” includes a subsidiary, affiliate or associate of the external management company;

“**named executive officer**” or “**NEO**” means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000;
- (d) each individual who would be a named executive officer under paragraph (c) 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.

Compensation Program Objectives and Purpose

The executive compensation policy of the Company is designed to offer competitive compensation enabling the Company to attract and retain qualified staff. It will seek to motivate executive officers to exceed strategic objectives so as to maximize the long-term return on shareholders’ investment.

The objectives of the Company’s executive compensation program are as follows:

- to attract, retain and motivate talented executives who create and sustain the Company’s continued success;

- to align the interests of the Company’s executives with the interests of the Company’s shareholders; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics. The Company is a mining exploration corporation and will not be generating significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Company to be appropriate in the evaluation of the performance of the NEOs.

The purpose of the Company’s executive compensation program has been designed to reward executives for reinforcing the Company’s business objectives and values, for achieving the Company’s performance objectives and for their individual performances.

Components of Aggregate Compensation

The aggregate compensation of the NEO currently consists of one or more of the following elements:

- a) a base monetary compensation; and
- b) option grants designed to attract and retain experienced personnel and encourage them to promote the Company’s interests and activities to the best of their knowledge.

Base Compensation

The base cash compensation review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. The Board relies on the general experience of its members in setting base compensation amounts.

Incentive compensation

Option grants are designed to attract and retain key personnel. Option grants to Beneficiaries are established by the Board of Directors on a continuous basis, based on the progress of the Company. See section “**Stock Options and Other Compensation Plans**” below.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

During financial year ended April 30, 2024, based on the definition above, the NEOs of the Company were: Mr. Arnab De, CFO and Corporate Secretary and Mr. Stephen Leblanc, President and CEO.

The Directors of the Company who were not NEOs during the financial year ended April 30, 2023 were Mr. Maxime Lemieux, Mr. Michel Gagnon and Mr. David Coutre. Mr. Michel Gagnon was replaced by Mr. David Coutre on March 30, 2023. Mr. Mario Bouchard was appointed Director of the Company on November 7, 2023.

The Directors of the Company who were not NEOs during the financial year ended April 30, 2022 were Mr. Maxime Lemieux, and Mr. Michel Gagnon.

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of

the compensation paid by the Company to NEOs and directors of the Company who were not NEOs for the financial years ended April 30, 2024, April 30, 2023 and April 30, 2022. Options and compensation securities are disclosed under the heading “**Stock Options and Other Compensation Plans**” in this Form.

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 (\$)
Arnab De ⁽¹⁾ CFO and Corporate Secretary	2024	63,167	-	-	-	-	63,167
	2023	32,004	-	-	-	-	32,004
	2022	24,003	-	-	-	-	24,003
Stephen Leblanc ⁽²⁾ President, CEO and Director	2024	132,000	-	-	-	-	132,000
	2023	132,000	-	-	-	-	132,000
	2022	110,000	-	-	-	-	110,000
Maxime Lemieux ⁽³⁾ Director	2024	-	-	-	-	-	-
	2023	-	-	-	-	-	-
	2022	-	-	-	-	-	-
Michel Gagnon ⁽⁴⁾ Director	2024	-	-	-	-	-	-
	2023	-	-	-	-	-	-
	2022	-	-	-	-	-	-
Davide Couture ⁽⁵⁾ Director	2024	-	-	-	-	-	-
	2023	-	-	-	-	-	-
	2022	-	-	-	-	-	-
Mario Bouchard ⁽⁶⁾	2024	-	-	-	-	-	-
	2023	-	-	-	-	-	-
	2022	-	-	-	-	-	-

Notes:

1. Mr. De was appointed CFO and Corporate Secretary of the Company on August 1st, 2021.
2. Mr. Leblanc was appointed President and CEO of the Company since the incorporation on October 19, 2020.
3. Mr. Lemieux were appointed Directors of the Company on April 30, 2021.
4. Mr. Gagnon were appointed Directors of the Company on April 30, 2021 and resigned on March 30, 2023.
5. Mr. David Coutre was appointed as Director of the Company on March 30, 2023
6. Mr. Bouchard was appointed as Director of the Company on November 7, 2023

External Management Companies

The Company has no agreements or arrangements whereby an external company employs or retains individual who act as NEOs or director of the Company.

Stock Options and Oher Compensation Plans

The Company currently has in place a 10% “rolling” stock option plan dated for reference July 27, 2021 (the “**Option Plan**”).

Material Terms of the Option Plan

Administration

The Option Plan shall be administered by the Board, a special committee of the Board (the “**Committee**”) or by an administrator appointed by the Board or the Committee (the “**Administrator**”) either of which will have

full and final authority with respect to the granting of all Options thereunder. Options may be granted under the Option Plan to such directors, officers, employees or consultants of the Company, as the Board, the Committee or the Administrator may from time to time designate.

Number of Common Shares Reserved

Subject to adjustment as provided for in the Option Plan, the aggregate number of Common Shares which will be available for purchase pursuant to Options granted under to the Option Plan will not exceed 10% of the number of Common Shares which are issued and outstanding on the particular date of grant. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Common Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to the Option Plan.

Exercise Price

The exercise price at which an Option holder may purchase a Common Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option certificate (an “**Option Certificate**”) issued in respect of the Option. The exercise price shall not be less than the price determined in accordance with CSE policies while, and if, the Company’s Common Shares are listed on the CSE.

Maximum Term of Options

The term of any Option granted under the Option Plan (the “**Term**”) shall be determined by the Board, the Committee or the Administrator, as applicable, at the time the Option is granted but shall not exceed ten years from the date of grant and subject to earlier termination in the event of termination, or in the event of death or disability of the Option holder. In the event of death or disability, the Option shall expire on the earlier of the date which is one year following the date of disability or death and the applicable expiry date of the Option. Options granted under the Option Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Termination

Subject to such other terms or conditions that may be attached to Options granted under the Option Plan, an Option holder may exercise an Option in whole or in part at any time and from time to time during the Term. Any Option or part thereof not exercised within the Term shall terminate and become null, void and of no effect as of the date of expiry of the Option. 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) or (b) below or in the event of death or disability (as discussed above under “Maximum Term of Options”) or in the event of certain triggering events occurring, as provided for under the Option Plan:

- (a) *Ceasing to Hold Office* - In the event that the Option holder holds his or her Option as an executive and such Option holder ceases to hold such position other than by reason of death or disability, the expiry date of the Option shall be, unless otherwise determined by the Committee, the Board or the Administrator, as applicable and expressly provided for in the Option certificate, the 30th day following the date the Option holder ceases to hold such position unless the Option holder ceases to hold such position as a result of a reason other than death, disability or cause in which case the expiry date shall be the date fixed by the Committee, provided that the date is no more than six months from the ceasing to hold office date; or
- (b) *Ceasing to be Employed or Engaged* - In the event that the Option holder holds his or her Option as an employee or consultant and such Option holder ceases to hold such position other than by reason of

death or disability, the expiry date of the Option shall be, unless otherwise determined by the Committee, the Board or the Administrator, as applicable, and expressly provided for in the Option certificate, the 30th day following the date the Option holder ceases to hold such position as a result of:

- (i) termination for cause; or
- (ii) an order made by any regulatory authority having jurisdiction to so order;

in which case the expiry date shall be the date the Option holder ceases to hold such position.

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, the Board or the Administrator, as applicable, 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. Notwithstanding anything else contained in the Option Plan, in no case will an Option be exercisable later than the expiry date of the Option.

The foregoing summary of the Option Plan is not complete and is qualified in its entirety by reference to the Option Plan, which is available from the Company upon request.

Other Terms

The Option Plan also provides for adjustments to outstanding options in the event of alteration in the capital structure of the Company, merger or amalgamation involving the Company’s entering into a plan of arrangement. Upon a change of control, all options outstanding under the Option Plan shall become immediately exercisable.

Share-Based Awards

The Company currently has no share-based awards in place.

Stock Options and other Incentive Plans

The following table provides a summary of all compensation securities granted or issued by the Company to each NEO and director of the Company during the financial year ended April 30, 2024 for services provided or to be provided, directly or indirectly, to the Company:

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class ⁽¹⁾⁽²⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Stephane Leblanc <i>CEO</i>	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil

Arnab Kumar De <i>CFO and Corporate Secretary</i>	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
David Coutre <i>Director</i>	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Maxime Lemieux <i>Director</i>	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Mario Bouchard <i>Director</i>	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil

Exercise of Compensation Securities by Directors and NEOs

There were no stock options granted nor exercised by a NEO or a director of the Company during the financial year ended April 30, 2024.

Employment, Consulting and Management Agreements

The Company has entered into the following agreements since incorporation to financial year ended on April 30, 2024.

Stephane Leblanc – President and CEO

The Company entered into an executive employment agreement with Mr. Leblanc dated effective August 1st, 2021, pursuant to which the Company pays to Mr. Leblanc a monthly salary. Mr. Leblanc is also entitled to participate in the Company’s Option Plan. Under the agreement, Mr. Leblanc may terminate the agreement by giving a 30 days notice, if it is subsequent to a change of control, the Company pays to Mr. Leblanc an amount equal to 12 times the base fee. The Corporation may terminate the agreement, without just cause, by giving a 90 days plus 30 days notice, or without any notice or payment in lieu of notice for just cause.

Arnab De – CFO and Corporate Secretary

The Company entered into a consulting agreement with Mr. De dated effective August 1st, 2021, pursuant to which the Company pays to Mr. De an annual salary. Mr. De is also entitled to participate in the Company’s Option Plan. Under the agreement, Mr. De and the Company may terminate the agreement by giving a 30 days notice. The Corporation may terminate the agreement without any notice or payment in lieu of notice for just cause.

Oversight and description of director and NEO compensation

The Company does not have a compensation committee or a formal compensation policy. The Company relies solely on the directors to determine the compensation of the NEOs. In determining compensation, the directors consider industry standards and the Company’s financial situation, but the Company does not have any formal objectives or criteria. The performance of each executive officer is informally 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 as a whole seeks to accomplish the following goals:

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

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

The Board did not use any formal peer group evaluation to determine executive compensation.

Pension Disclosure

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.