QIMC Drills New Company Record of 27.8% Clean Natural Hydrogen at Just 374 Metres at Bennett Hill, Nova Scotia

DDH-26-05 strengthens at depth: multiple high-concentration hydrogen zones below 300 metres, documented drilling-water loss indicating enhanced structural permeability, and double-digit hydrogen still open at depth

HIGHLIGHTS

- **New Company record: 27.8% H_2 (278,498 ppm) at 374 metres** — surpassing the previous record of 24.3% H_2 at 707 metres in DDH-26-04 and encountered approximately 333 metres shallower.
- **Two distinct high-concentration zones below 300 metres:** up to 23.7% H_2 in a cluster at 348-354 m, and 19.1% → 25.1% → 27.8% H_2 from 368-374 m.
- **Clean natural hydrogen composition:** CH_4 remained at 0.0% across the reported samples and CO_2 remained at or below 0.1%, demonstrating a hydrogen-rich gas profile.
- **Hydrogen remains open at depth:** double-digit readings of 10.4% and 12.1% H_2 at 377 metres, the deepest sampled depth in this release.
- **Enhanced structural permeability indicated operationally:** documented drilling-water losses within a major fault-breccia and shear system beginning at approximately 326 metres provide operational evidence consistent with enhanced permeability within portions of the intersected structures.
- **Model validation:** the tight spatial relationship between hydrogen concentration, structural deformation and permeability further supports QIMC's interpretation of a vertically persistent, structurally controlled natural hydrogen system.

Montreal, Quebec--(Newsfile Corp. - August 25, 2026) - Quebec Innovative Materials Corp. (CSE: QIMC) (OTCQB: QIMCF) (FSE: 7FJ) ("QIMC" or the "Company") is pleased to report additional preliminary mud-gas hydrogen results from diamond drill hole DDH-26-05 at its Bennett Hill Natural Hydrogen Project in Nova Scotia. The new results extend the reported hydrogen system below 300 metres and establish a new Company record of 27.8% H_2 at 374 metres. The gas composition across the reported samples remained clean, with methane (CH_4) at 0.0% and carbon dioxide (CO_2) at or below 0.1%, further distinguishing the high-concentration natural hydrogen encountered in DDH-26-05.

Why These Results Matter

The first 300 metres of DDH-26-05 delivered up to 23.5% H_2, a 54-metre corridor of sustained percent-level hydrogen, and observations consistent with free gas entering the borehole. The results reported today demonstrate that hydrogen persists below 300 metres and develops into progressively stronger high-concentration zones at depth.

Below 300 metres, the hole develops **two distinct high-concentration zones** rather than a single isolated peak: a first cluster at 348 metres (12.6%, 15.8% and 23.7% H_2) extending to 354 metres

(15.8% H_2), and a second, stronger zone building from 19.1% H_2 at 368 metres to 25.1% and a record 27.8% H_2 at 374 metres. Double-digit hydrogen continues at 377 metres, with readings of 10.4% and 12.1% H_2.

Critically, these high hydrogen concentrations sit within and adjacent to an extensive fault/shear system marked by brecciation, fault gouge, graphitic and deformed siltstones and documented losses of drilling water. The gas composition across the reported samples remained clean, with CH_4 at 0.0% and CO_2 at or below 0.1%. In the Company's interpretation, the spatial association between high hydrogen concentrations, clean gas composition, structural deformation and drilling observations consistent with enhanced permeability provides further support for a structurally controlled natural hydrogen system at Bennett Hill.

CEO Commentary

"DDH-26-05 continues to strengthen our understanding of the Bennett Hill hydrogen system," said **John Karagiannidis, President and Chief Executive Officer of QIMC**. "The first 300 metres delivered 23.5% hydrogen and observations consistent with free gas. We have now extended the system below 300 metres and established a new Company record of 27.8% hydrogen at only 374 metres."

"What is particularly important is that we are beginning to see the relationship between the hydrogen and the structural architecture of Bennett Hill. At 348 metres, three readings returned 12.6%, 15.8% and 23.7% hydrogen. The hole then returned 19.1% at 368 metres before increasing to 25.1% and 27.8% at 374 metres, with double-digit hydrogen continuing at 377 metres. And importantly, across these reported samples methane remained at zero and carbon dioxide at or below 0.1%. We are not only seeing increasingly strong hydrogen concentrations — we continue to see a remarkably clean gas composition."

"The drill log also documents extensive faulting, shearing and brecciation, together with loss of return water within portions of the structural system. These observations are helping us understand not only where the hydrogen is occurring, but how the geological structures may be providing pathways for gas migration. Combined with the free-gas observations reported higher in DDH-26-05, this is increasingly giving us a picture of the plumbing of the Bennett Hill system."

Results Below 300 Metres: 308-377 m

IsoJar mud-gas hydrogen readings were collected during drilling of DDH-26-05. The results below cover sampled depths from 308 through 377 metres, within the approximately 308-378 metre interval addressed by this update. Peak H_2 by sampled depth (readings ≥ 10% H_2 highlighted):

Depth (m)	Peak H_2		Depth (m)	Peak H_2
308	1.7%		**348**	**23.7%**
311	1.5%		351	9.3%
314	1.3%		**354**	**15.8%**
317	1.4%		356	3.4%
320	0.8%		359	4.9%
323	1.1%		362	4.9%
326	1.9%		363	3.1%
329	1.1%		365	7.6%
332	1.3%		**368**	**19.1%**
335	7.2%		371	8.7%
338	0.6%		**374**	**27.8%**
341	0.7%		**377**	**12.1%**
345	2.3%			

Of the 38 individual readings from 308-377 metres, 34 were ≥ 1% H_2, 14 were ≥ 5% H_2, nine were ≥ 10% H_2 and three were ≥ 20% H_2 — a distribution that confirms multiple high-concentration zones at depth rather than a single anomaly.

Structure, Permeability and Hydrogen: The Plumbing of the System

Beginning at approximately 326.55 metres, DDH-26-05 entered a substantial **fault-breccia and shear package** containing fault gouge, sheared wall rock, granite fragments and deformed siltstone. Drilling operations experienced loss of return water within portions of this interval, with lost circulation continuing as the hole advanced through the fault/shear system — operational evidence of enhanced permeability within the intersected structures.

Zone 1 (≈345-356 m): Sheared siltstone with fault gouge, interleaved graphite, granitization and rock flour along structural fabrics. Hydrogen increases sharply to 12.6%, 15.8% and 23.7% H_2 at 348 metres, followed by 9.3% H_2 at 351 metres and 15.8% H_2 at 354 metres.

Zone 2 (from ≈368 m): Developing near the transition into deformed, fragmental and graphitic siltstone at approximately 368.9 metres. Hydrogen rises to 19.1% H_2 at 368 metres, then 25.1% and a record 27.8% H_2 at 374 metres, with 10.4% and 12.1% H_2 continuing at 377 metres.

Building on the First 300 Metres

Within the first 300 metres of DDH-26-05, the Company previously reported up to 23.5% H_2 at 170 metres, an approximately 54-metre corridor of sustained percent-level hydrogen between 143 and 197 metres, observations consistent with free gas at approximately 164 metres, and a second double-digit interval of 13.9% H_2 at 263 metres.

The new 27.8% H_2 at 374 metres exceeds both the 23.5% H_2 previously reported from DDH-26-05 and the Company's prior record of 24.3% H_2 at 707 metres in DDH-26-04 — and was encountered **approximately 333 metres shallower** than that previous record, a factor with meaningful implications for future well design and development economics.

Strengthening the Bennett Hill Geological Model

The emerging relationship between elevated hydrogen, fault breccias, sheared and graphitic rocks and documented drilling-water losses provides additional evidence that structural architecture is a key control on hydrogen distribution at Bennett Hill. One working interpretation being evaluated is that highly fractured and brecciated structures provide pathways for gas migration, while adjacent deformed but comparatively competent rocks provide conditions favourable for hydrogen concentration or retention.

The Company continues to integrate DDH-26-05 results with geological logging, structural interpretation and its proprietary R2G2™ targeting framework to refine the geometry of the Bennett Hill system.

Advancing the Pilot Production Pathway

These results further strengthen the technical basis for QIMC's previously announced evaluation of a pathway toward pilot-scale characterization and clean energy generation in the Advocate Area. The combination of high hydrogen concentrations at multiple depths, previously reported observations consistent with free gas, documented evidence of enhanced structural permeability and continued hydrogen at depth provides important new inputs for future well design, target selection and pilot-scale testing.

About Québec Innovative Materials Corp. (QIMC)

Québec Innovative Materials Corp. is a North American exploration and development company advancing a portfolio of natural hydrogen and critical mineral projects, with properties in Québec,

Ontario, Nova Scotia and Minnesota (USA). The Company applies its proprietary R2G2™ (Reactivated Rift and Graben Geostructure) exploration framework, developed in collaboration with INRS, and is focused on responsible exploration, technical innovation, and the advancement of natural hydrogen opportunities that may contribute to future clean-energy development. The Company's exploration in the Advocate Area involves no hydraulic fracturing and no reservoir stimulation.

For Further Information

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Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation, including statements regarding anticipated additional results of DDH-26-05; the interpretation of mud-gas data, drilling-water losses, structural permeability and previously reported free-gas observations; the potential relationship between structural architecture and hydrogen migration or concentration; the existence, scale, continuity and vertical persistence of a district-scale natural hydrogen system; and the potential advancement toward pilot-scale characterization, clean energy generation or any future development pathway.

Forward-looking information is based on assumptions management considers reasonable, including assumptions regarding field conditions, instrument performance, the continuity and permeability of geological structures, the availability of financing, and permitting and regulatory frameworks. Actual results may differ materially.

Risks include, without limitation, that preliminary field readings are not confirmed by laboratory analysis or subsequent work; that drilling-water losses do not reflect permeability relevant to hydrogen migration or production; that previously reported free-gas observations do not reflect sustained deliverability or recoverable accumulations; that subsequent drilling does not deliver results consistent with readings observed to date; that no economically recoverable hydrogen accumulation exists on the Company's properties; that regulatory frameworks for natural hydrogen in Nova Scotia and elsewhere remain under development; and that additional financing may not be available on acceptable terms.

No resource estimate has been prepared for the Advocate Area projects, and there is no assurance that the exploration results described herein will translate into a discovery of commercial quantities of natural hydrogen. Readers are cautioned not to place undue reliance on forward-looking information. The Company undertakes no obligation to update forward-looking information except as required by law.

Sampling, Methodology and Data Verification

Mud-gas readings reported in this release are preliminary field readings from IsoJar headspace samples collected during drilling of DDH-26-05 and measured using the EAGLE II gas analyzer. The results reported herein cover sampled depths from 308 metres through 377 metres and include multiple replicate measurements at certain sampled depths. Reported statistics count individual replicate measurements. Gas-composition measurements across the samples reported herein recorded methane (CH_4) at 0.0% and carbon dioxide (CO_2) at or below 0.1%. These measurements support the Company's characterization of the reported gas composition as containing negligible methane and carbon dioxide. The hydrogen values presented in this release are the values provided by the Company following application of its instrument correction methodology.

The results remain preliminary and subject to laboratory analysis and additional technical interpretation.

Drilling-water losses described herein are operational observations recorded during drilling and are interpreted as evidence of enhanced permeability within portions of the intersected structural system. Such observations do not establish hydrogen flow rates, sustained gas deliverability, reservoir pressure, recoverable volumes or commerciality.