

PROPOSAL 1

ELECTION OF DIRECTORS

Composition of Board of Directors

Our bylaws provide that the Board shall consist of between one and eight directors, as determined by the Board from time to time. The Board currently consists of two (2) members. The Board has recently fixed the size of the Board at five (5) members. Nonetheless, only the current two (2) members of the Board will stand for election at the 2025 Annual Meeting, while the Board continues its search for qualified candidates to fill the remaining three (3) open seats. In 2016, the Board of Directors of the Company amended the Bylaws of the Company to divide Directors into three classes: Class I, Class II and Class III. Under this classified board structure, generally only those Board Members in a single class may be replaced in any one year, and it would require a minimum of two years to change a majority of the Board and effect a change in control under normal circumstances. The Board believes that it is in the best interest of the Company to have a classified board structure. The classified board structure ensures that at any given time there are experienced board members serving on the Board who are familiar with the Company, its business, operations, and technology, and its relationships. The Board believes that a three year term also facilitates long-term policymaking, as Board members are more free to focus on the long-term interests of the Company and its shareholders.

Generally only one class of Board Members stands for election each year. However, as this is the first annual meeting of the stockholders since 2018, Directors shall be elected to either Class I, Class II, or Class III at the 2025 Annual Meeting, and designated to serve one, two, or three year terms, respectively. Thereafter, the term of office of each Director shall be three years. Each Director elected shall hold office within his or her class until his or her successor is elected and qualified, or until his or her earlier resignation or removal. Directors need not be stockholders. There are no family relationships among any of our current directors, the nominees for directors or our executive officers.

The proxy holder named on the proxy card intends to vote all proxies received by him in the accompanying form for the election of the nominees listed below to the director class listed below, unless instructions to the contrary are marked on the proxy. These nominees and their director class have been selected by the Board. The nominees are currently members of the Board. Each elected nominee will serve until the annual meeting of stockholders listed in the chart below corresponding to his director class, or until his or her successor has been duly elected and qualified.

In the event that a nominee is unable or declines to serve as a director at the time of the 2025 Annual Meeting, the proxies will be voted for any nominee who shall be designated by the present Board to fill the vacancy, or the size of the Board may be reduced. The proxy holder intends to vote all proxies received by him for the nominees listed below, unless instructions are given to the contrary. As of the date of this proxy statement, the Board is not aware of any nominee who is unable or will decline to serve as a director. The Board may at an appropriate later date increase or decrease the size of the Board, and appoint new directors to fill any vacancies on the Board.

Nominees for Election as Directors

The following is certain information as of December 31, 2024, regarding the nominees for election as directors:

Name of Nominee	Age	Director Since	Independent	Audit (1) Committee
Nominees whose initial two-year terms expire at the 2027 Annual Meeting (Class II Directors)				
Eric Bunting	55	2017	Yes	X
Nominees whose initial three-year terms expire at the 2028 Annual Meeting (Class III Directors)				
Cecil Bond Kyte (2)	53	2006-2013 2021 to present	No	X

(1) The Audit Committee consists of all members of the Board of Directors.

(2) Chairman of the Board of Directors.

Biographical Information Regarding Directors

Eric Bunting, M.D. (Independent Director), was appointed to the Board of Directors of the Company effective April 1, 2017. Dr. Eric Bunting, M.D., is a board-certified Ear, Nose, and Throat specialist and a partner in an independent specialty group. His group has partnered with Wichita Surgical Specialists (WSS), the nation's largest multispecialty surgical practices in the country. For the past decade, Dr. Bunting has served on the board of directors of Mid KS ENT, multiple surgery centers, and Blue Cross Blue Shield of Kansas consulting board, contributing to its continued growth and leadership in the field. He earned his undergraduate degree from Kansas State University in Biology, and his medical degree from Kansas University School of Medicine, followed by specializing in head and neck surgery at Kansas University Medical Center.

In addition to his medical career, Dr. Bunting is a seasoned entrepreneur with a wide array of business interests. He is an investor in early-stage companies and has developed a successful portfolio in the franchising sector, owning and partnering in approximately 85 fast-casual restaurant franchises across 15 states. His extensive experience also includes board positions within the healthcare industry, notably with multiple ambulatory surgical centers and a radiation treatment center, where he played a key role during mergers and acquisitions.

As a dedicated investor in the Company, Dr. Bunting has acquired a significant stake in the Company over the past eight years. Throughout this period, he has remained a committed advocate for shareholders, supporting the Company's path towards commercialization, market expansion, and eventual profitability.

Cecil Bond Kyte (Non-Independent Director), was elected to serve as Chairman of the Board of the Company in December 2007, then known as Save The World Air, Inc. ("STWA"). In January 2010, he was appointed to serve as CEO of STWA. In November 2013, Mr. Kyte voluntarily resigned as a director, Chairman of the Board, and CEO of STWA. Since then, Mr. Kyte has held positions with the following public companies: MassRoots, Inc., where he served as a board member from late 2017, through July 2019. Massroots, Inc. was a technology platform for the cannabis industry during the time Mr. Kyte served as a director of the company; Rightscorp, Inc., where, since 2015, Mr. Kyte has served and continues to serve as the company's CEO, and since 2016, has served and continues to serve as the company's CFO. Mr. Kyte is also a member of the board of Rightscorp. Rightscorp's mission is to support copyright holders' abilities to litigate and monetize their music and other copyrights against piracy and peer-to-peer infringement on the internet. Mr. Kyte has mainly been associated with "start overs" rather than "startups," using his abilities to restructure and develop a company's management, financial condition, compliance, and product commercialization.

In addition to his current roles as CEO, CFO, and board member of Rightscorp, and the Company, Mr. Kyte has supported the funding and business development for Bye Aerospace's suite of products including the development and manufacturing of advanced civilian/military aerospace technologies. Mr. Kyte has also been a pilot for 38 years and currently serves as an airline captain and instructor for American Airlines-Envoy Air, Inc., a regional airline. Mr. Kyte devotes about 15 to 20 hours of his time per month as an airline captain and instructor. He received a B.S. Degree in accounting from Long Beach State University.

Executive Officers

The following table sets forth certain information regarding our executive officers as of December 31, 2024.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Cecil Bond Kyte	53	Chief Executive Officer, Chief Financial Officer, and Chairman of the Board

See Mr. Kyte's Biographical Information above regarding Directors.

CORPORATE GOVERNANCE

We maintain a corporate governance page on our corporate website at www.qsenergy.com, which includes information regarding the Company's corporate governance practices. Our codes of business conduct and ethics, Board committee charters and certain other corporate governance documents and policies are posted on our website. In addition, we will provide a copy of any of these documents without charge to any stockholder upon written request made to our Corporate Secretary, QS Energy, Inc., 23902 FM 2978, Tomball, Texas 77375, or at her email at kforeman@qsenergy.com. The information on our website is not, and shall not be deemed to be, a part of this proxy statement or incorporated by reference into this or any other filing we make with the Securities and Exchange Commission (the "SEC").

Board of Directors

Director Independence

Following the voluntary resignation of Don Dickson effective June 3, 2024, our Board of Directors currently consists of two (2) members. The current Board has fixed the number of directors at five (5). As of December 31, 2024, the Board has determined that Eric Bunting, a current Board member and nominee, is an independent member of the Board, and that Mr. Kyte, our Chief Executive Officer and Chief Financial Officer and current Board member and nominee is not independent.

Meetings of the Board and Committees

Due to its small size and limited resources, the Company currently does not have a separate Audit Committee, Nominating and Governance Committee or Compensation Committee. Instead, the full Board carries out the responsibilities of an audit committee, a governance committee, a nominating committee, and a compensation committee. The Board held four (4) meetings during 2024. Each of the directors attended 75% or more of the aggregate number of meetings of the Board on which the director served in 2024. Each of our directors is encouraged to attend the Company's 2025 Annual Meeting and to be available to answer any questions posed by stockholders to such director.

Communications with the Board

The following procedures have been established by the Board in order to facilitate communications between our stockholders and the Board:

- Stockholders may send correspondence, which should indicate that the sender is a stockholder, to the Board or to any individual director, by mail to Corporate Secretary or CFO, QS Energy, Inc., 23902 FM 2978, Tomball, Texas 77375 or by e-mail to our Corporate Secretary, Katrina Foreman at kforeman@qsenergy.com.
- Our Secretary or director will be responsible for the first review and logging of this correspondence and will forward the communication to the director or directors to whom it is addressed unless it is a type of correspondence which the Board has identified as correspondence which may be retained in our files and not sent to directors. The Board has authorized the Secretary to retain and not send to directors communications that: (a) are advertising or promotional in nature (offering goods or services), (b) solely relate to complaints by customers with respect to ordinary course of business customer service and satisfaction issues or (c) clearly are unrelated to our business, industry, management or Board or committee matters. These types of communications will be logged and filed but not circulated to directors. Except as set forth in the preceding sentence, the Secretary will not screen communications sent to directors.
- The log of stockholder correspondence will be available to members of the Board for inspection. At least once each year, the Secretary will provide to the Board a summary of the communications received from stockholders, including the communications not sent to directors in accordance with the procedures set forth above.

Our stockholders may also communicate directly with the non-management directors, individually or as a group, by mail c/o Corporate Secretary or CFO, QS Energy, Inc., 23902 FM 2978, Tomball, Texas 77375 or by e-mail to Katrina Foreman at kforeman@qsenergy.com.

The Board has established procedures, as outlined in the Company's policy for "Procedures for Accounting and Auditing Matters," for the receipt, retention and treatment of complaints regarding questionable accounting, internal controls, and financial improprieties or auditing matters. Any of the Company's employees may confidentially communicate concerns about any of these matters by calling a director or Katrina Foreman. Upon receipt of a complaint or concern, a determination will be made whether it pertains to accounting, internal controls or auditing matters and if it does, it will be handled in accordance with the procedures established by the Audit Committee and/or the Board.

Committees of the Board

As noted, due to the Company's small size and limited resources, the Board has assumed the responsibilities of an audit committee, nominating and governance committee and compensation committee, and operates under written policies and charters. Copies of the charters and other corporate governance documents are available on our website, www.qsenergy.com. In addition, we will provide a copy of any of these documents without charge to any stockholder upon written request made to Corporate Secretary, QS Energy, Inc., 23902 FM 2978, Tomball, Texas 77375, or made to Katrina Foreman at kforeman@qsenergy.com. On May 9, 2017, for the purpose of achieving cost savings and improving efficiency, as noted, the Board resolved that the Compensation Committee and Nominating and Corporate Governance Committee of the Board would be eliminated. As noted, the Board has assumed the responsibilities and obligations of those committees, as well as the audit committee.

The composition, functions and general responsibilities of each committee are summarized below.

Audit Responsibilities

The functions of an audit committee are carried out by the full Board. The Board in this regard operates under a written charter. The Board's audit duties include responsibility for reviewing our accounting practices and audit procedures. In addition, the Audit Committee has responsibility for reviewing complaints about, and investigating allegations of, financial impropriety or misconduct. The Board works closely with management and our independent auditors. The Board meets with our independent auditors on a quarterly basis, following completion of their quarterly reviews and annual audit, to review the results of their work. The Board may also meet with our independent auditors to approve the annual scope of the audit services to be performed.

As part of its responsibility, the Board is responsible for engaging our independent auditor and monitoring the independent auditor's independence, qualifications and performance, as well as pre-approving audit and non-audit services performed by our independent auditor in order to assure that the provision of such services does not impair the independent auditor's independence.

Please see "Audit Report" below, which provides further details of many of the duties and responsibilities of the Board serving as an audit committee.

Director Nominations

The Board seeks out appropriate candidates to serve as directors of the Company, and interviews and examines director candidates. In considering candidates to serve as director, the Board evaluates various minimum individual qualifications, including strength of character, maturity of judgment, relevant technical skills or financial acumen, diversity of viewpoint and industry knowledge, as well as the extent to which the candidate would fill a present need on the Board.

The Board will consider, without commitment, stockholder nominations for director. Nominations for director submitted to the Board by stockholders are evaluated according to the Company's overall needs and the nominee's knowledge, experience and background. A nominating stockholder must give appropriate notice to the Company of the nomination not less than 90 days prior to the first anniversary of the preceding year's annual meeting. In the event that the date of the annual meeting is advanced by more than 30 days or delayed by more than 60 days from the anniversary date of the preceding year's annual meeting, the notice by the stockholder must be delivered not later than the close of business on the later of the 60th day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such annual meeting is first made.

The stockholders' notice shall set forth, as to:

- each person whom the stockholder proposes to nominate for election as a director;
- the name, age, business address and residence address of such person;
- the principal occupation or employment of the person;
- the class and number of shares of the Company which are beneficially owned by such person, if any;
- any other information relating to such person which is required to be disclosed in solicitations for proxies for election of directors pursuant to Regulation 14A under the Exchange Act and the rules thereunder;
- the name and record address of the stockholder and the class and number of shares of the Company which are beneficially owned by the stockholder;
- a description of all arrangements or understandings between such stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which nomination(s) are to be made by such stockholder;
- a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice; and,
- any other information relating to such person which is required to be disclosed in solicitations for proxies for election of directors pursuant to Regulation 14A under the Exchange Act and the rules thereunder.

The notice must be accompanied by a written consent of the proposed nominee to be named as a director.

Through the period ended April 15, 2021, our directors were compensated for their services as follows:

- (i) *Board Options*: On January 1, 2016, and thereafter, January 1st of each succeeding year, each member of the Board shall receive a grant of unqualified Options to purchase Shares of the Company's common stock. The number of underlying Shares of the Option shall be equal to the quotient of \$50,000 divided by the market value of the Company's shares, on the day of the grant, as reported on the OTCBB or, if applicable, NASDAQ. One-twelfth (1/12) of the number of options granted shall vest on the last day of each calendar month for 12 months, beginning January 31st in the year of grant ("First Vesting Date"), and for each successive month through December 31st in the year of grant ("Final Vesting Date"). Options shall expire ten (10) years after the day of grant. All unvested Options shall be cancelled in the event a member of the Board ceases to be a member of the Board for any reason prior to Final Vesting Date of the Option.
- (ii) *Audit Committee Chairman Options*: On January 1, 2016, and thereafter, on January 1st of each succeeding year, the Chairman of the Audit Committee shall receive a grant of unqualified Options to purchase Shares of the Company's common stock. The number of underlying Shares of the Option shall be equal to the quotient of \$25,000 divided by the market value of the Company's shares, on the day of the grant, as reported on the OTCBB or, if applicable, NASDAQ. One-twelfth (1/12) of the number of options granted shall vest on the last day of each calendar month for 12 months, beginning January 31st in the year of grant ("First Vesting Date"), and for each successive month through December 31st in the year of grant ("Final Vesting Date"). Options shall expire ten (10) years after the day of grant. All unvested Options shall be cancelled in the event the Board member ceases to be Chairman of the Audit Committee for any reason prior to Final Vesting Date of the Option.
- (iii) *Options Issued upon Appointment to the Board of Directors*: Upon appointment to the Board of Directors the appointed Director shall receive a grant of unqualified Options to purchase Shares of the Company's common stock. The number of underlying Shares of the Option shall be equal to the quotient of \$50,000 divided by the market value of the Company's shares, on the day of the grant, as reported on the OTCBB or, if applicable, NASDAQ. One-twelfth (1/12) of the number of options granted shall vest on the day preceding the one-month anniversary of the date of grant ("First Vesting Date"), and for each successive month through the day preceding the one-year anniversary of the date of grant ("Final Vesting Date"). Options shall expire ten (10) years after the day of grant. All unvested Options shall be cancelled in the event a member of the Board ceases to be a member of the Board for any reason prior to Final Vesting Date of the Option.

- (iv) *Options Issued upon Appointment as Chairman of the Audit Committee:* Upon appointment as Chairman of the Audit Committee the appointed Director shall receive a grant of unqualified Options to purchase Shares of the Company's common stock. The number of underlying Shares of the Option shall be equal to the quotient of \$25,000 divided by the market value of the Company's shares, on the day of the grant, as reported on the OTCBB or, if applicable, NASDAQ. One-twelfth (1/12) of the number of options granted shall vest on the day preceding the one-month anniversary of the date of grant ("First Vesting Date"), and for each successive month through the day preceding the one-year anniversary of the date of grant ("Final Vesting Date"). Options shall expire ten (10) years after the day of grant. All unvested Options shall be cancelled in the event the Director ceases to be Chairman of the Audit Committee for any reason prior to Final Vesting Date of the Option.
- (v) *Committee Member Compensation:* Each member of a committee of the Board shall receive monthly compensation of \$500.00, plus reimbursement of reasonable travel and lodging expenses.

Notwithstanding the foregoing, due to a lack of resources, the above and all other director's compensation was suspended by the Board on April 15, 2021. Since that date, no director compensation in the form of cash or securities or other consideration has been paid to directors. The Board, within its discretion, may reinstate the above director compensation policy, or may elect to modify such policy or may create a new compensation policy and package for directors.

Recommendation of the Board

The Board unanimously recommends that stockholders vote FOR election of each of the nominees identified above.