



NEWS RELEASE

QUESTOR TECHNOLOGY INC. ANNOUNCES SECOND QUARTER 2008 RESULTS

Calgary, Alberta (August 29, 2008) – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) announced today its financial and operating results for second quarter 2008. The Company reported a net loss of \$169,877 (\$0.007 per basic share) for the second quarter of 2008 and a net loss of \$234,925 (\$0.01 per basic share) for the six months ended June 30, 2008 compared to a net loss of \$141,278 (\$0.006 per basic share) for the second quarter of 2007 and a net loss of \$12,801 (\$0.001 per basic share) for the six months ended June 30, 2007. The net loss for the three months ended June 30, 2008 was primarily attributable to general and administrative expense increases, foreign exchange losses and higher income tax expense, partially offset by higher total revenue and lower direct costs and interest expense. The net loss for the first half of 2008 was primarily attributable to lower revenues coupled with higher general and administrative expenses, both of which were partially offset by foreign exchange gains and lower direct costs, income tax expense and interest expense.

“Our second quarter 2008 results were impacted by the early commencement of break-up and heavy rain that curtailed the access of heavy equipment to site and slowed activity in the Western Canadian Sedimentary Basin, consequently affecting our incinerator rentals, deliveries of sold units and combustion services activities,” said Audrey Mascarenhas, President and Chief Executive Officer. “However, incinerator sales are strong. Questor has received purchase orders for 16 units in 2008 to date. In the first half of the year, we delivered three of these units and recorded revenue of \$0.4 million. As the remaining units are delivered over the next several months, a further \$1.8 million of revenue is expected.”

Ms. Mascarenhas added, “I am pleased to announce that we recently commissioned the waste gas incineration units for our client in China. The units are enabling our client to test their sour gas wells while addressing the environmental and safety issues they face. Based on the superior performance of these incinerators, the future looks very promising for further business initiatives in China.”

OPERATIONAL HIGHLIGHTS IN THE SECOND QUARTER AND SUBSEQUENT

- Questor continues to experience an unprecedented volume of requests for proposals from both domestic and international parties stimulated, in part, by the changing regulations and by the Company’s marketing efforts launched in late 2007. In particular, the demand for the Company’s products and services in the United States (“U.S.”) market remains strong and Questor’s strategic relationship with Natco Group Inc. is providing a strong base upon which to capitalize on the U.S. market opportunities.

At the end of second quarter 2008, the Company had over \$6.0 million of bids outstanding pending completion of the tender process and notification of the clients’ purchase decision. In Questor’s experience there is great variability in the decision-making timeframe and confirmation of sales may take anywhere from a few weeks to several months.

- Questor was selected as one of the “2008 TSX Venture 50”, a ranking of the top 10 public venture capital companies in each of five major industry sectors – mining, oil and gas, technology and life sciences, diversified industries and clean technology – based on a ranking formula with equal weighting given to one-year revenue (last reported 12 months), return on investment, market cap growth and trading volume. All data was as of December 31, 2007. Questor ranked second in the clean technology category.



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- Questor's combustion services division was awarded three long-term service contracts with key clients in the Grande Prairie, Alberta region.
 - The Company completed commissioning of the waste gas incineration units in China. The units are running in parallel, combusting 600,000 m³/d of over 20 percent acid gas. The success of this project firmly establishes Questor as an industry leader in the handling of critically sour gas and complex applications for clients who want to adopt best practices in an economic and environmentally responsible manner. The Chinese client has provided Questor with a letter of acceptance, paving the way for additional project opportunities in that country.
 - In collaboration with CrystaTech, Inc., the Company continued to explore the development of a cost effective solution to remove H₂S from waste gas streams and convert it to liquid sulphur which would reduce SO₂ emissions from the oil sands and other processing facilities.
 - Consistent with Questor's strategic plan for expansion, the Company is pursuing alternate markets for application of its technology. The Company is currently in discussion with clients on a landfill project, a carbon capture opportunity and a gasification project.
 - In addition to the above, the Company also demonstrated its expertise in matters relating to air quality when featured in the following publications and/or presenting environmental perspectives at the following venues:
 - Presentation to the China National Science and Technology Sulphur Forum in Dazhou, China in April 2008. A copy of the presentation is available on the Company's website.
 - DOB magazine article by Mike Byfield on May 5, 2008 entitled "Audrey Mascarenhas: A Burning Passion for Clean Air".
 - Calgary Herald newspaper article by Shaun Polczer on June 10, 2008 (page D1) entitled "Local innovation takes spotlight".
 - Interview on June 12, 2008 with Foreign Affairs and International Trade Canada in conjunction with their podcasting initiative during the Global Petroleum Show 2008 in Calgary, Alberta, Canada;
 - Globe and Mail newspaper article by Boyd Erman on June 19, 2008 (page B8) entitled "Clean tech: the new kid on the block".
 - Green Space Alberta 2008 article (pages 30-31) by Jan Christian Sorenson entitled "Lighten the Load".
 - Ms. Mascarenhas is also scheduled to co-chair and present at the "Unconventional Gas and Coal Bed Methane" Conference in Denver, Colorado in November 2008 and at the "Canadian Sour Gas Forum" in Calgary, Alberta in December 2008.

Questor's second quarter 2008 financial statements and notes thereto and Management's Discussion and Analysis for the three and six months ended June 30, 2008 and June 30, 2007 will be available shortly on the Company's website at www.questortech.com and through SEDAR at www.sedar.com.

ABOUT QUESTOR TECHNOLOGY INC.

Questor is an international environmental oil field service company founded in late 1994 and headquartered in Calgary, Alberta, Canada with a field office located in Grande Prairie, Alberta, Canada. The Company is focused on clean air technologies with activities in Canada, the United States, Europe and Asia. Questor designs and manufactures high efficiency waste gas incinerators for sale or for use on a rental basis and also provides field burner services. The Company's proprietary incinerator technology destroys noxious or toxic hydrocarbon gases which ensures regulatory compliance, environmental protection, public confidence and reduced operating costs for clients. Questor is recognized for its particular expertise in the combustion of sour gas (H₂S). While the Company's current client base is primarily in the oil and gas industry, this technology is applicable to other industries such as water and sewage treatment, landfills, tire recycling and agriculture.

Questor trades on the TSX Venture Exchange under the symbol "QST".

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Certain information in this news release constitutes forward-looking statements. When used in this news release, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. In particular, this news release contains forward-looking statements with respect to, among other things, business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements reflect the Company's current views with respect to future events based on certain material factors and assumptions and are subject to certain risks and uncertainties, including without limitation, changes in market, competition, governmental or regulatory developments, general economic conditions and other factors set out in the Company's public disclosure documents. Many factors could cause the Company's actual results, performance or achievements to vary from those described in this news release, including without limitation those listed above. These factors should not be construed as exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this news release and such forward-looking statements included in, or incorporated by reference in this news release, should not be unduly relied upon. Such statements speak only as of the date of this news release. The Company does not intend, and does not assume any obligation, to update these forward-looking statements. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

This document is not intended for dissemination or distribution in the United States.

QUESTOR TECHNOLOGY INC.
BALANCE SHEETS
(unaudited)

As at	June 30 2008	December 31 2007
ASSETS		
Current assets		
Cash	\$ 2,547,526	\$ 2,753,997
Accounts receivable	1,159,134	1,062,716
Inventory	512,695	526,401
Prepaid expenses and deposits	40,554	98,609
Future income tax asset	61,875	-
	4,321,784	4,441,723
Property and equipment	1,222,329	1,299,677
Intangibles	99,300	73,678
Future income tax asset	59,596	31,480
	\$ 5,703,009	\$ 5,846,558
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 417,798	\$ 501,314
Short-term debt	410,746	191,186
Current portion of long-term debt	49,204	60,183
Income and other taxes payable	8,632	115,707
Deferred revenue and deposits	90,269	70,129
Future income tax liability	102,682	102,682
	1,079,331	1,041,201
Long-term debt	31,934	53,206
	1,111,265	1,094,407
Shareholders' equity		
Share capital	5,235,677	5,235,677
Contributed surplus	214,868	140,350
Deficit	(858,801)	(623,876)
	4,591,744	4,752,151
	\$ 5,703,009	\$ 5,846,558

QUESTOR TECHNOLOGY INC.
STATEMENTS OF INCOME, COMPREHENSIVE INCOME AND DEFICIT
(unaudited)

For the	Three months ended June 30		Six months ended June 30	
	2008	2007	2008	2007
Revenue				
Incinerator sales and services	\$ 16,727	\$ 27,275	\$ 294,364	\$ 459,118
Incinerator rentals and services	108,970	208,694	353,384	580,587
Combustion services	71,658	70,561	158,110	226,397
	197,355	306,530	805,858	1,266,102
Less: Direct costs	224,633	306,573	729,982	847,079
Gross margin	(27,278)	(43)	75,876	419,023
Other revenue	189,809	23,529	207,399	23,605
Expenses				
General and administrative	320,642	225,670	626,936	445,000
Foreign exchange loss (gain)	31,619	(21,256)	(100,894)	(28,170)
Depreciation and amortization	10,237	9,214	19,933	18,229
	362,498	213,628	545,975	435,059
Income (loss) before interest expense and income taxes	(199,967)	(190,142)	(262,700)	7,569
Interest expense				
Short-term debt	4,176	8,456	4,497	14,970
Long-term debt	504	-	1,008	-
Loss before income taxes	(204,647)	(198,598)	(268,205)	(7,401)
Income tax expense				
Current income tax	37,711	-	37,711	-
Future income tax	(72,481)	(57,320)	(70,991)	5,400
Net loss and comprehensive loss	(169,877)	(141,278)	(234,925)	(12,801)
Deficit, beginning of period	(688,924)	(2,472,782)	(623,876)	(2,601,259)
Deficit, end of period	\$ (858,801)	\$ (2,614,060)	\$ (858,801)	\$ (2,614,060)
Net loss per share				
Basic	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.00)
Diluted	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.00)
Weighted average number of shares outstanding				
Basic	23,794,870	23,757,370	23,794,870	23,708,061
Diluted	23,794,870	23,757,370	23,794,870	23,708,061

QUESTOR TECHNOLOGY INC.
STATEMENTS OF CASH FLOWS
(unaudited)

For the	Three months ended June 30		Six months ended June 30	
	2008	2007	2008	2007
Operating activities				
Net loss	\$ (169,877)	\$ (141,278)	\$ (234,925)	\$ (12,801)
Items not involving cash:				
Depreciation and amortization	38,377	35,618	76,961	71,044
Future income taxes	(72,481)	(57,320)	(70,991)	5,400
Unrealized foreign exchange loss (gain)	2,391	(159,512)	(5,790)	(167,940)
Gain on disposition of assets	(99,268)	-	(99,268)	-
Share-based compensation	37,531	11,223	74,518	22,323
Funds used in operations	(263,327)	(311,269)	(259,495)	(81,974)
Net change in non-cash working capital	(516,327)	(1,005,445)	(249,372)	487,006
Net cash provided by (used in) operating activities	(779,654)	(1,316,714)	(508,867)	405,032
Investing activities				
Decrease (additions) to property and equipment	129,700	(3,798)	109,298	(3,632)
Decrease to development costs	9,373	-	-	-
Net cash provided by (used in) investing activities	139,073	(3,798)	109,298	(3,632)
Financing activities				
Increase in short-term debt	296,710	137,021	219,559	250,971
Decrease in long-term debt	(15,067)	(37,170)	(32,251)	(51,375)
Net proceeds from issuance of common shares	-	-	-	20,500
Net cash provided by financing activities	281,643	99,851	187,308	220,096
Increase (decrease) in cash	(358,938)	(1,220,661)	(212,261)	621,496
Cash, beginning of period	2,908,855	1,879,771	2,753,997	29,186
Effective exchange rates on cash	(2,391)	159,512	5,790	167,940
Cash, end of period	\$ 2,547,526	\$ 818,622	\$ 2,547,526	\$ 818,622