



NEWS RELEASE

QUESTOR TECHNOLOGY INC. ANNOUNCES FIRST QUARTER 2008 RESULTS

Calgary, Alberta (May 30, 2008) – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) announced today its financial and operating results for the three months ended March 31, 2008. The Company reported a net loss of \$65,048 (\$0.003 per basic share) for the three months ended March 31, 2008 compared to net income of \$128,478 (\$0.005 per basic share) for the three months ended March 31, 2007. The net loss for the period was principally due to lower revenues coupled with higher general and administrative expenses, both of which were partially offset by foreign exchange gains and lower direct costs and income tax expense.

“First quarter 2008 results for our incinerator rental business were impacted by the general slow-down of activity in the Western Canadian Sedimentary Basin,” said Audrey Mascarenhas, President and Chief Executive Officer. “However, we saw a substantial increase in domestic and international interest for permanent applications of our technology, translating into an overall increase to requests for proposals and to incinerator sales orders received. In addition to the revenue reflected in the financial statements for the first quarter, Questor also had additional sales of approximately \$400,000 which will not be reflected in revenue until the units are delivered in the second and third quarters of this year.”

Ms. Mascarenhas added, “The heightened environmental focus on air quality, global warming, greenhouse gas emissions and climate change continues to create business growth opportunities for which Questor’s technology is well positioned. Political, social and regulatory pressures are compelling enterprises to demonstrate corporate responsibility and sustainable development as the failure to do so creates significant business risk.”

“We are energized by our client’s interest in our technology solutions and are focused on developing the team, strategic alliances and infrastructure to capitalize on this significant business opportunity,” Ms. Mascarenhas concluded.

The Company also announced today the retirement of Daniel Motyka as Vice President, a capacity in which Mr. Motyka has served since June 2005. Prior to this, Mr. Motyka was the President and Chief Executive Officer of Questor. “I extend my thanks to Dan for his leadership and contribution to our Company over the years and wish him every success in his future endeavours. I look forward to Dan’s continued participation on the Board of Directors,” said Audrey Mascarenhas.

OPERATIONAL HIGHLIGHTS IN THE FIRST QUARTER

- Questor currently has over \$5 million of bids outstanding for the sale of incinerators 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.

The number of requests for proposal Questor received in first quarter 2008 is significantly higher than the number received in the same period of 2007. This demonstrates an increasing market awareness of and interest in our technology and is a positive response to the Company’s recent efforts to enhance marketing through the addition of sales staff and establishment of the following agency relationships:

- A strategic arrangement with Natco Group Inc. to market and fabricate our products for the United States market. Natco is headquartered in Houston, Texas with sales offices in the United States, Latin America, Southeast Asia, Japan, the United Kingdom, Scandinavia and Russia; and
- Marketing arrangements with Ramsay Machine Works Ltd. and EMCS Industries Ltd., both headquartered in Sidney, British Columbia, for the purpose of targeting industries such as the oil sands, offshore oil and gas platforms, solid waste treatment, waste water treatment and landfills, all of whom would benefit from our technology.

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- The Company entered into an agreement with Terra Verde Emissions Credits Inc. to develop the protocol methodology and sale of the greenhouse gas credits (“offsets”) in Alberta generated from the use of Questor’s proprietary incinerator technology. New regulations in Alberta are creating market demand for these offsets to facilitate compliance with emissions targets. In 2007, the worldwide market for credits/offsets was valued at more than \$59 billion and is predicted to grow exponentially in the wake of increasing focus on corporate responsibility and sustainability.
 - Questor and CrystaTech, Inc. initiated a collaborative effort to develop a process by which H₂S is removed from waste gas and converted to sulphur on a cost effective basis.
 - In addition to the above, the Company also demonstrated its expertise in matters relating to air quality when presenting environmental perspectives at the following conferences:
 - “5th Annual Energy and Clean Technology Forum” hosted by Rice Alliance at Rice University in Houston, Texas, USA;
 - Canadian Institute “Western Canadian Sour Gas Operations” Conference in Calgary, Alberta, Canada;
 - Eco Expo Asia Conference in Hong Kong, China; and
 - “Environmental Challenges and Innovations Conference” sponsored by the Texas Association of Environmental Professionals in Houston, Texas, USA.

OPERATIONAL HIGHLIGHTS SUBSEQUENT TO THE FIRST QUARTER

- Questor met with China National Petroleum Corporation (“CNPC”) and China Petrochemical International Company Ltd. (“SINOPEC”) in Dazhou, China to discuss further business opportunities for Questor’s technology. The Company is also continuing its discussions with a Nigeria based company to explore business initiatives arising from Nigeria’s policy position to eliminate flaring by the end of 2008.
- The Company made a presentation to the China National Science and Technology Sulphur Forum in Dazhou, China. A copy of the presentation is available on the Company’s website.
- Questor is scheduled to present at the Canada Eurasia Russia Business Association Global Energy Matters Conference 2008 in conjunction with the Global Petroleum Show 2008 in Calgary, Alberta, Canada next month.

FINANCIAL HIGHLIGHTS⁽¹⁾

- Total revenue for this quarter was \$626,093 compared to \$959,648 in the same quarter last year. Revenue declined due to differences in the incinerator sales volume and mix quarter-over-quarter, lower utilization of the incinerator rental fleet due to declining activity levels in the Western Canadian Sedimentary Basin and fewer parts sales in conjunction with delivery of combustion services, all of which was partially offset by higher interest income.
- Gross margin for the first three months of 2008 was \$103,154 compared to \$419,066 for the first three months of 2007. Direct costs of \$505,349 in first quarter 2008 were down by \$35,157 compared to first quarter 2007. This variance is primarily due to the direct costs associated with differences in the incinerator sales volume and mix and, to a lesser extent, the variable direct costs associated with incinerator rental and combustion services.
- Earnings before interest, taxes, depreciation and amortization for the three months ended March 31, 2008 yielded a loss of \$24,149, down from \$233,138 in the same period of 2007.
- Loss before interest expense and income taxes for first quarter 2008 was \$62,733. After interest expense of \$825 and future income tax expense of \$1,490, the net loss for the period was \$65,048.

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- Cash provided by operating activities was \$258,985 in the first three months of 2008 compared to \$1,721,748 in the first three months of 2007. The decrease was primarily attributable to lower operating results and a working capital surplus of \$255,154 during first quarter 2008 compared to a working capital surplus of \$1,721,748 during first quarter 2007. The working capital surplus in first quarter 2007 principally reflected the deposit received from a client in respect of a significant incinerator sale contract executed in that period.
 - Funds generated from operations for first quarter 2008 were \$3,831, down from \$229,296 in first quarter 2007.
 - At March 31, 2008, the Company had total debt outstanding of \$210,241, down from \$304,576 at December 31, 2007. The Company's debt-to-total capitalization ratio was 4.3 percent, versus 6.0 percent at the end of 2007.

⁽¹⁾ *Includes non-GAAP financial measures. Please see discussion in the Non-GAAP Financial Measures section of the Company's Management's Discussion and Analysis for the three months ended March 31, 2008.*

Questor's first quarter 2008 financial statements and notes thereto and Management's Discussion and Analysis for the three months ended March 31, 2008 and March 31, 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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QUESTOR TECHNOLOGY INC.
BALANCE SHEETS
(unaudited)

| As at | March 31 2008 | December 31 2007 |
|---|---------------------|---------------------|
| ASSETS | | |
| Current assets | | |
| Cash | \$ 2,908,855 | \$ 2,753,997 |
| Accounts receivable | 1,014,974 | 1,062,716 |
| Inventory | 452,737 | 526,401 |
| Prepaid expenses and deposits | 50,837 | 98,609 |
| | 4,427,403 | 4,441,723 |
| Property and equipment | 1,281,463 | 1,299,677 |
| Intangibles | 75,801 | 73,678 |
| Future income tax asset | 29,990 | 31,480 |
| | \$ 5,814,657 | \$ 5,846,558 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | \$ 628,977 | \$ 501,314 |
| Short-term debt | 114,036 | 191,186 |
| Current portion of long-term debt | 51,248 | 60,183 |
| Income and other taxes payable | 112,668 | 115,707 |
| Deferred revenue and deposits | 36,000 | 70,129 |
| Future income tax liability | 102,682 | 102,682 |
| | 1,045,611 | 1,041,201 |
| Long-term debt | 44,957 | 53,206 |
| | 1,090,568 | 1,094,407 |
| Shareholders' equity | | |
| Share capital | 5,235,677 | 5,235,677 |
| Contributed surplus | 177,336 | 140,350 |
| Deficit | (688,924) | (623,876) |
| | 4,724,089 | 4,752,151 |
| | \$ 5,814,657 | \$ 5,846,558 |

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

| For the three months ended March 31 | 2008 | 2007 |
|---|---------------------|----------------|
| Revenue | | |
| Sales | \$ 277,637 | \$ 431,843 |
| Rentals | 244,414 | 371,893 |
| Service | 86,452 | 155,836 |
| | 608,503 | 959,572 |
| Less: Direct costs | 505,349 | 540,506 |
| Gross margin | 103,154 | 419,066 |
| Other revenue | 17,590 | 76 |
| Expenses | | |
| General and administrative | 306,294 | 219,330 |
| Foreign exchange gain | (132,513) | (6,915) |
| Depreciation and amortization | 9,696 | 9,015 |
| | 183,477 | 221,430 |
| Income (loss) before interest expense and income taxes | (62,733) | 197,712 |
| Interest expense | | |
| Short-term debt | 321 | 6,514 |
| Long-term debt | 504 | - |
| Income (loss) before income taxes | (63,558) | 191,198 |
| Income tax expense | | |
| Current income tax | - | - |
| Future income tax | 1,490 | 62,720 |
| Net income (loss) and comprehensive income (loss) | (65,048) | 128,478 |
| Deficit, beginning of period | (623,876) | (2,601,259) |
| Deficit, end of period | \$ (688,924) | \$ (2,472,781) |
| Net income (loss) per share | | |
| Basic | \$ (0.00) | \$ 0.01 |
| Diluted | \$ (0.00) | \$ 0.01 |
| Weighted average number of shares outstanding | | |
| Basic | 23,794,870 | 23,660,148 |
| Diluted | 23,794,870 | 24,972,886 |

QUESTOR TECHNOLOGY INC.
STATEMENTS OF CASH FLOWS
(unaudited)

| For the three months ended March 31 | 2008 | 2007 |
|---|---------------------|---------------------|
| Operating activities | | |
| Net income | \$ (65,048) | \$ 128,478 |
| Items not involving cash: | | |
| Depreciation and amortization | 38,584 | 35,426 |
| Future income taxes | 1,490 | 62,720 |
| Unrealized foreign exchange gain | (8,181) | (8,428) |
| Share-based compensation | 36,986 | 11,100 |
| Funds generated from operations | 3,831 | 229,296 |
| Net change in non-cash working capital | 255,154 | 1,492,452 |
| Net cash provided by operating activities | 258,985 | 1,721,748 |
| Investing activities | | |
| Decrease (additions) to property and equipment | (9,177) | 165 |
| Additions to development costs | (8,796) | - |
| Net cash provided by (used in) investing activities | (17,973) | 165 |
| Financing activities | | |
| Increase (decrease) in short-term debt | (77,151) | 113,950 |
| Decrease in long-term debt | (17,184) | (14,205) |
| Net proceeds from issuance of common shares | - | 20,500 |
| Net cash used in financing activities | (94,335) | 120,245 |
| Change in cash | 146,677 | 1,842,158 |
| Cash, beginning of period | 2,753,997 | 29,186 |
| Effective exchange rates on cash | 8,181 | 8,428 |
| Cash, end of period | \$ 2,908,855 | \$ 1,879,772 |

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.

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