



**NEWS RELEASE**  
**QUESTOR TECHNOLOGY INC.**  
**ANNOUNCES RECORD 2013 FINANCIAL RESULTS**

**Calgary, Alberta (April 16, 2013)** – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) announced today its financial and operating results for the year ended December 31, 2013. The Company’s audited annual financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

The Company reported the highest profit in its history of \$2,544,049 (\$0.101 per basic share) 145 percent higher than profit of \$1,040,356 (\$0.042 per basic share) for the year ended December 31, 2012. The increase in profit was due to increased incinerator sales during the year, partially offset by lower rental and and combustion services revenues and increased administration costs.

**FINANCIAL HIGHLIGHTS SUMMARY**

*(Stated in Canadian dollars except shares outstanding)*

For the years ended December 31	2013	2012	Increase (decrease)
Revenue	<b>9,574,950</b>	6,684,475	2,890,475
Gross profit <sup>(1)</sup>	<b>4,725,576</b>	3,078,180	1,647,396
EBITDA <sup>(1)</sup>	<b>3,454,374</b>	1,723,363	1,731,011
Profit and total comprehensive income	<b>2,544,049</b>	1,040,356	1,503,693
Cost of sales as a percent of revenue <sup>(1)</sup>	<b>50.6%</b>	53.9%	(3.3%)
Funds flow from operations before movements in non-cash working capital <sup>(1)</sup>	<b>3,543,893</b>	1,826,443	1,717,450

  

As at December 31	2013	2012	Increase (decrease)
Total assets	<b>14,029,829</b>	9,798,449	4,231,380
Non-current liabilities	<b>175,130</b>	223,295	(48,165)
Shares outstanding <sup>(2)</sup>			
Basic	<b>25,102,165</b>	24,869,255	232,910
Diluted	<b>25,939,888</b>	25,144,794	795,094
Earnings per share - Basic	<b>0.101</b>	0.042	0.059
- Diluted	<b>0.098</b>	0.041	0.057

<sup>(1)</sup> *Non-IFRS financial measure. Please see discussion in the Non-IFRS Financial Measures section of Questor’s Management’s Discussion and Analysis for the year ended December 31, 2013.*

<sup>(2)</sup> *Weighted average.*

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“We continued to penetrate the U.S. market moving from 47% of total unit sales revenue last year to 52% this year. In addition, with a second unit going to Russia in 2013 and two into Europe our exposure in those markets continues to grow. While the number of units we sold in 2013 was more than double the prior year, current year sales were muted by the deferral of the anticipated fourth quarter delivery of eight units to a Canadian oilsands operator. Those units were delivered in the first quarter of 2014” said Audrey Mascarenhas, President and Chief Executive Officer. “In 2013 we sold five units from our rental fleet to customers with short delivery times frames and have more units in fabrication than we have ever had in the past to meet upcoming sale and rental commitments, using cash generated from operations. We expect demand for our incinerators to intensify, particularly in the U.S. as the effective date for the new EPA regulations draws nearer.”

“Questor’s product quality and combustion expertise are becoming more recognized on a daily basis globally” she continued. “Our incineration technology is unique in its ability to allay public concerns regarding air quality and is capable of meeting emissions standards across a wide range of applications. Emissions legislation introduced in the United States and Europe are expected to continue to increase interest in our incinerators as companies look for solutions to flaring and emissions control.”

“We are well positioned to pursue growth opportunities in North America and Europe in the coming year,” concluded Ms. Mascarenhas.

### **2013 OPERATIONAL HIGHLIGHTS**

Relative to the Company’s strategic priorities, the following selected events and achievements demonstrate Questor’s progression in 2013:

- Generated revenue of \$9,574,950, the highest in the Company’s history, up 43% from the prior year.
- Demonstrated the Company’s technical expertise and competence in the destruction of low heat content gases through the deployment of incineration equipment and related technology to shale gas and oil sands developments and to amine, dehydration and other crude oil and natural gas processing applications. As a result, certain customers have identified Questor’s technology as best practice and specify the use of the Company’s solutions in their tenders to third parties for field equipment.
- Exploited the growing demand arising from the industry’s focus on shale gas opportunities investing \$4.4 million in 2013 in the fabrication of units for rental fleet additions or for sale to customers with short lead times.
- Delivered in second quarter 2013 the second of the Company’s incineration units into Russia. The Russian market holds strong potential for Questor as that country focuses on opportunities to reduce waste gas flaring. Additional orders for sale or rental units in Russia are expected to be received in 2014.
- Advanced the development and commercialization of a process to recover waste heat from incineration and convert the heat to power, purchasing in early 2014 all of the outstanding shares of ClearPower Systems Inc., which has prototype technology to deliver 50kW of power from waste heat.
- Engaged in discussions with fabricators in Europe with respect to the potential to have incinerators for sale or rent in European markets fabricated in closer proximity to the customer.
- Built market awareness and recognition for Questor’s expertise in matters relating to air quality through presentations made by invitation at several events worldwide including:
  - Ms. Mascarenhas made a presentation called “Clearing the Air” in February 2013 as part of an Alberta Oil and Gas Mission to Poland and again in mid-May at the ACI Tight and Shale Gas Summit in Istanbul, Turkey.
  - She also presented, along with the Company’s Chief Operating Officer to senior executives at several major U.S. oil and gas companies in Houston in late April of 2013 regarding capabilities of the Company’s incinerators/thermal oxidizers.
  - On May 10th, 2013 Ms Mascarenhas made a presentation at the Western Energy Summit

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entitled “Climbing to New Heights with Clean Air Solutions”.

- A further mission took Ms. Mascarenhas in late May of 2013 to Bahrain, Abu Dhabi and Oman, where she participated in the latter country in workshops focused on clean air solutions and attended meetings with corporate and government individuals who had expressed interest in Questor’s technology.
- Ms. Mascarenhas attended at the SelectUSA Investment Summit in Washington, DC on October 31, 2013
- She was keynote speaker at the Society of Petroleum Engineers (“SPE”) luncheon on the 21st of November in Oklahoma City.
- She travelled to Mexico at the end of November to present at the Pemex Technology Exchange Forum.

- Copies of these presentations are available on the Company’s website.

### **SUBSEQUENT TO DECEMBER 31, 2013**

At December 31, 2013, the Company had confirmed incinerator sales orders of \$4.0 million. Since the beginning of 2014, confirmed incinerator sales orders for an additional \$2.6 million have been received. Of the \$6.6 million of associated revenue to be recorded in relation to these orders, \$2.8 million is expected to be recognized in first quarter 2014 based on customer delivery schedules and \$3.8 million in second quarter 2014. In addition, long term rental contracts have been signed with four new customers, three of which will be using the Company’s larger units for extended periods.

Questor Technology Inc. was selected to the 2014 TSX Venture 50, first out of 10 in its category of Clean Technology. This is the second year in a row the Company has earned the honor which is a ranking of strong performers on TSX Venture Exchange. It is comprised of ten companies from each of the following five sectors: Mining, Oil & Gas, Diversified Industries, Clean Technology and Technology & Life Sciences.

Shareholders are invited to attend the Company’s Annual General Meeting to be held on Tuesday, June 24, 2014 at 3:00 p.m. MDT in the Company’s Corporate Offices at 1121, 940 – 6<sup>th</sup> Avenue S.W, Calgary, Alberta. In addition to the formal business items, management will be presenting an overview of Questor’s results for the financial year ended December 31, 2013 and first quarter ended March 31, 2014 and discussing the Company’s strategic initiatives for 2014.

Questor’s audited financial statements and notes thereto and management’s discussion and analysis for the year ended December 31, 2013 will be available shortly on the Company’s website at [www.questortech.com](http://www.questortech.com) and through SEDAR at [www.sedar.com](http://www.sedar.com).

### **ABOUT QUESTOR TECHNOLOGY INC.**

Questor is an international environmental oilfield 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 combustion-related oilfield services. The Company’s proprietary incinerator technology destroys noxious or toxic hydrocarbon gases enabling regulatory compliance, environmental protection, public confidence and reduced operating costs for customers. Questor is recognized for its particular expertise in the combustion of sour gas (H<sub>2</sub>S). While the Company’s current customer base is primarily in the crude oil and natural gas industry, this technology is applicable to other industries such as landfills, water and sewage treatment, 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.

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

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

A 2014  
**TSX Venture 50**  
Company



Questor Technology Inc. was recognized as a TSX Venture 50® company in 2013 and 2014. TSX Venture 50 is a trademark of TSX Inc. and is used under license.

**QUESTOR TECHNOLOGY INC.**  
**STATEMENTS OF FINANCIAL POSITION**

*Stated in Canadian dollars*

As at	Notes	December 31 2013	December 31 2012
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 7,323,303	\$ 4,405,624
Trade and other receivables		2,863,257	2,304,478
Inventories		2,359,276	670,959
Prepaid expenses and deposits		124,163	88,378
Current tax assets		77,849	25,158
<b>Total current assets</b>		<b>\$ 12,747,848</b>	<b>7,494,597</b>
<b>Non-current assets</b>			
Property and equipment		1,256,066	2,295,529
Intangible assets		25,915	8,323
<b>Total non-current assets</b>		<b>1,281,981</b>	<b>2,303,852</b>
<b>Total assets</b>		<b>\$ 14,029,829</b>	<b>\$ 9,798,449</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Trade payables, accrued liabilities and provisions		\$ 1,746,259	\$ 894,206
Deferred revenue and deposits		252,356	2,205
Current portion of lease inducement		52,002	26,770
Current tax liabilities		638,527	171,907
<b>Total current liabilities</b>		<b>\$ 2,689,143</b>	<b>\$ 1,095,088</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		53,793	97,319
Lease inducement		121,337	125,976
<b>Total non-current liabilities</b>		<b>175,130</b>	<b>223,295</b>
<b>Total liabilities</b>		<b>2,864,274</b>	<b>1,318,383</b>
<b>Capital and reserves</b>			
Issued capital		5,636,119	5,521,001
Reserves		703,156	676,834
Retained earnings		4,826,280	2,282,231
<b>Total equity</b>		<b>11,165,555</b>	<b>8,480,066</b>
<b>Total liabilities and equity</b>		<b>\$ 14,029,829</b>	<b>\$ 9,798,449</b>

Approved by the Board of Directors:

(signed) "James Inkster"  
James Inkster, Director

(signed) "Audrey Mascarenhas"  
Audrey Mascarenhas, Director

**QUESTOR TECHNOLOGY INC.**  
**STATEMENTS OF COMPREHENSIVE INCOME**

*Stated in Canadian dollars except per share data*

For the years ended December 31	2013	2012
Revenue	\$ 9,574,950	\$ 6,684,475
Cost of sales	(4,849,374)	(3,606,295)
Gross profit	4,725,576	3,078,180
Administration expenses	(1,645,923)	(1,621,055)
Gain/(loss) on disposal of property and equipment	14,457	(27,865)
Depreciation of property and equipment	(41,261)	(41,316)
Amortization of intangible assets	(1,218)	(1,218)
Net foreign exchange gains	91,363	10,603
Other income	9,689	23,997
Profit before tax	3,152,683	1,421,326
Income tax expense	(608,634)	(380,970)
<b>Profit and total comprehensive income</b>	<b>\$ 2,544,049</b>	<b>\$ 1,040,356</b>
<b>Earnings per share</b>		
Basic	\$ 0.101	\$ 0.042
Diluted	\$ 0.098	\$ 0.041

**QUESTOR TECHNOLOGY INC.**  
**STATEMENTS OF CHANGES IN EQUITY**

*Stated in Canadian dollars*

	Issued capital	Reserves	Retained earnings	Total equity
Balance at January 1, 2012	\$ 5,458,215	\$ 622,226	\$ 1,241,875	\$ 7,322,316
Profit and total comprehensive income	-	-	1,040,356	1,040,356
Recognition of share-based payments	-	79,520	-	79,520
Issue of ordinary shares under employee share option plan	62,786	(24,912)	-	37,874
Balance at January 1, 2013	\$ 5,521,001	\$ 676,834	\$ 2,282,231	\$ 8,480,066
Profit and total comprehensive income			2,544,049	2,544,049
Recognition of share-based payments		76,814		76,814
Issue of ordinary shares under employee share option plan	115,118	(46,492)		68,626
<b>Balance at December 31, 2013</b>	<b>\$ 5,636,119</b>	<b>\$ 703,156</b>	<b>\$ 4,826,280</b>	<b>\$ 11,165,555</b>

**QUESTOR TECHNOLOGY INC.**  
**STATEMENTS OF CASH FLOWS**

*Stated in Canadian dollars*

For the years ended December 31	2013	2012
<b>Cash flows from (used in) operating activities</b>		
Profit and total comprehensive income for the year	\$ 2,544,049	\$ 1,040,356
Adjustments for:		
Income tax expense	608,634	380,970
Loss/(gain) on disposal of property and equipment	(14,457)	27,865
Depreciation of property and equipment	300,473	300,819
Amortization of intangible assets	1,218	1,218
Net unrealized foreign exchange gains	31,162	(5,775)
Expense recognized in respect of equity-settled share-based payments	72,814	79,520
Write-downs of inventories to net realizable value	-	1,470
Funds flow from operations	3,543,893	1,826,443
Movements in non-cash working capital	(391,512)	1,609,381
Cash generated from operations	3,152,381	3,435,824
Income taxes paid	(100,111)	(461,059)
Net cash generated from operating activities	3,052,270	2,974,765
<b>Cash flows (used in) from investing activities</b>		
Payments for property and equipment	(206,491)	(770,781)
Proceeds from disposal of property and equipment	28,550	-
Additions to intangibles	(18,810)	-
Interest paid	-	-
Net cash used in investing activities	(196,751)	(770,781)
<b>Cash flows from financing activities</b>		
Proceeds from issue of ordinary shares under employee share option plan	68,625	37,874
Net cash from financing activities	68,625	37,874
<b>Net increase in cash</b>	<b>2,924,144</b>	<b>2,241,858</b>
Cash at beginning of the year	4,405,624	2,166,301
Effects of exchange rate changes on the balance of cash held in foreign currencies	(6,465)	(2,535)
<b>Cash at end of the year</b>	<b>7,323,303</b>	<b>\$ 4,405,624</b>