



## QUESTOR ANNOUNCES FIRST QUARTER RESULTS

**Calgary, Alberta (May 16, 2024)** – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) announced today its financial and operating results for the first quarter ended March 31, 2024.

Questor’s unaudited Condensed Consolidated Financial Statements and Management’s Discussion and Analysis for the quarter ended March 31, 2024, are available on the Company’s website at [www.questortech.com/investors](http://www.questortech.com/investors) and at [www.sedarplus.ca](http://www.sedarplus.ca).

*Unless otherwise noted, all financial figures are presented in Canadian dollars, prepared in accordance with International Financial Reporting Standards and are unaudited for the three months ended March 31, 2024, and March 31, 2023.*

### FIRST QUARTER 2024 FINANCIAL RESULTS

For the three months ending March 31, (Stated in CDN \$)	2024	2023
Revenue	<b>731,618</b>	1,838,775
Gross profit	<b>212,275</b>	742,516
Loss for the period	<b>(636,759)</b>	(174,868)
Loss per share – basic and diluted	<b>(0.02)</b>	(0.01)

  

As at (Stated in CDN \$)	March 31, 2024	December 31, 2023
Working capital <sup>(1)</sup>	<b>10,613,173</b>	11,844,178
Total assets	<b>26,114,986</b>	27,125,820
Total equity	<b>23,736,051</b>	24,357,652

<sup>(1)</sup> Working capital is defined as total current assets less total current liabilities.

Revenue for the three months ended March 31, 2024, has decreased by \$1.1 million compared to the same period in 2023. Rental revenue for the three months ended March 31, 2024<sup>(2)</sup> was \$0.6 million, compared to \$1.1 million for the same period in 2023,<sup>(2)</sup> and equipment sales revenue was \$0.1 million compared to \$0.8 million, respectively. The reduction of revenue is primarily attributed to timing differences resulting from shifting project and rental start dates within the timelines of customer proposals.

Gross profit for the three months ended March 31, 2024, has decreased by \$0.5 million, compared to the same period in 2023. The reduction in gross profit is mainly due to the shifting of project and rental start dates, where the Company continues to incur the fixed costs, partially offset with strong margins on revenue due to improved pricing and sales mix, paired with continued focus on controlling costs.

The Company continues to have a strong financial position at March 31, 2024, including cash and cash equivalents of \$4.1 million, \$7.2 million of highly liquid short-term investments, and working capital of \$10.6 million.

### FIRST QUARTER 2024 HIGHLIGHTS AND SUBSEQUENT EVENTS

The Company is continuing construction for its 1,500kw waste heat to power unit, and shop testing of the prototype will commence in the second quarter of 2024. Installation at a third-party site and final field testing, is expected to commence in the second half of 2024.

On February 9, 2024, Questor commenced a Normal-course issuer bid (“NCIB”), allowing Questor to purchase a maximum of 1,400,000 common shares over the 12-month period for cancellation. NCIB is effective until the earliest of (i) February 7, 2025, (ii) the Company purchasing the maximum of 1,400,000 Shares, and (iii) the Company terminating the NCIB. In connection with the current NCIB, Questor entered into an automatic share purchase plan (“ASPP”) with its designated broker to enable the purchase of shares during blackout periods during which the Company would not ordinarily be permitted to purchase shares. Purchases under the ASPP during those periods are determined by the designated broker in its sole discretion based on the purchasing parameters set by Questor in accordance with the rules of the TSX Venture Exchange, applicable securities laws and the terms of the ASPP. Outside of the periods noted above, purchases under the current NCIB will be completed at Questor’s discretion. As of May 14, 2024, under the current NCIB and the instructions in place with the broker, Questor purchased for cancellation of 140,500 shares at a weighted average share price of \$0.58.

Subsequent to March 31, 2024, the Company announced the appointment of a new Chief Financial Officer.

Subsequent to the first quarter, the Board of Directors approved the issuance of 25,000 stock options, 100,000 performance share units and 105,167 restricted share units, to officers and employees.

<sup>(2)</sup> Service revenue was realigned, disaggregated, and included within equipment sales and rental revenue lines to accurately reflect the nature of the business activities and provide clearer insight into the drivers of the revenue. Comparative 2023 figures were reclassified to conform to the current period’s revenue classification.

## PRESIDENT'S MESSAGE

The global emission regulatory environment is rapidly evolving and continues to develop favorably for the Company's products, as regulators, the courts, investors, and the public are putting pressure on the industry to reduce methane emissions, flaring and venting from their operations. Questor is seeing significant global interest in its technology solutions. Methane has become the emission of focus in the battle to stop the global temperature rise. Methane is a climate "super pollutant" and is considered the low-hanging fruit in climate change mitigation because it's a potent greenhouse gas with **86 times the warming potential** of carbon dioxide over a 20-year period. It also degrades much more quickly than CO<sub>2</sub>, meaning that cuts in methane emissions now can have a quick and significant effect on reducing global warming. Reducing methane emissions from sources like the fossil fuel industry is seen as one of the cheapest and most effective ways to combat climate change. Our ISO 14034 certified 99.99% combustion efficiency performance allows our clients to demonstrate their facilities are not emitting methane. Utilizing the heat generated from combusting the methane creates a revenue stream that offsets the costs of getting to zero carbon dioxide equivalent emissions, or what is referred to as net-zero. Most major oil and gas producers have made net zero goals. The combination of our clean combustion and waste heat to power technology means our clients can achieve their net zero goals for zero net cost.

The Canadian government created draft methane regulations in mid-December 2023, which were open for comment until mid-February, amending the 2018 methane regulations. Final regulations are expected in the coming months, to be implemented by January 2027. The regulations require a reduction in upstream methane emissions of >75% from 2012 levels by 2030<sup>1</sup>.

On December 2, 2023, the Environmental Protection Agency (EPA) in the US issued a final rule to reduce emissions of methane and other harmful air pollution from oil and natural gas operations. This includes New Source Performance Standards (NSPS) to reduce methane and smog-forming volatile organic compounds, pursuant to the Clean Air Act. This final rule is effective on May 7, 2024. The EPA is also cracking down on toxic emissions from more than 200 chemical plants as part of a broader effort to reduce cancer cases.

Similarly, on November 15, 2023, the European Commission, European Parliament, and Council of the European Union, finalized groundbreaking methane import standards to address methane emissions from imported oil and gas. These new standards will have a significant global impact on the industry. The production and operations of any company that exports to the EU will have to adopt these standards in addition to their own local emission regulations. In 2022, Europe imported more oil and related products than any other region across the globe, at roughly 14.4 million barrels per day<sup>2</sup>. The EU's biggest suppliers of crude oil are the United States, Norway, and Kazakhstan<sup>3</sup>. As a result, Kazakhstan and the US will face significant pressure to reduce flaring and venting in their oil-producing regions to meet the standards, particularly in areas where significant volumes of gas are being flared. As far as liquefied natural gas is concerned, the United States was the EU's leading supplier in the second quarter of 2023, with a share of 46% in total EU imports followed by the Middle East and North Africa at 21% and Nigeria at 5%<sup>4</sup>. India is the largest supplier of refined fuels to Europe<sup>5</sup>.

To meet these new European standards all hydrocarbon energy and product suppliers will have to eliminate their flaring and venting and methane emissions. This has significantly increased the interest in Questor's technology solutions globally. Questor has had an opportunity to visit and provide a proposal to address flaring and venting at two refineries in India with the aim of reducing emissions and improving air quality.

Additionally, we have provided proposals to eliminate flaring and venting at upstream facilities in India. In Nigeria, the oil and gas regulator has granted approval to conduct a pilot to use its equipment to demonstrate the opportunity to eliminate flaring and venting onshore. The Company has provided proposals in Iraq and Libya to eliminate flaring and venting at oil battery sites for two major global oil and gas producers. With our 25-year track record successfully eliminating flaring and venting, we are hopeful that Questor can become best practices in these jurisdictions. The Company is addressing this significant international market opportunity through strategic partnerships with companies already operating in those jurisdictions with a strong track record and extensive experience on the ground. Questor has spent the last two years developing relationships with these partners, educating them on our technology, and supporting them in client meetings and proposals. Questor has partnered with the following players:

In India, Questor has partnered with Hi-Tech, who have been in business since 1989 with 11 locations and a track record introducing technology solutions to the Indian market. Questor is represented by OilSERV, a leading integrated oilfield services company in the Middle East and North Africa region. In Nigeria, Questor is represented by Ar-Rahman Technical Services Nig. Limited. In the Latin America region, Questor has partnered with Hoerbiger, which has over 120 locations in around 50 countries worldwide and has been in business since 1925. Over this period, we have submitted proposals worth over \$60 million all of which have the potential to grow our international revenue significantly.

<sup>1</sup> www.canada.ca, article titled "Reducing methane emissions"; May 7, 2024

<sup>2</sup> www.statista.com, article titled "Leading crude oil importers worldwide in 2022"; August 29, 2023

<sup>3</sup> ec.europa.eu, article titled "Crude oil imports and prices: changes in 2022"; March 28, 2023

<sup>4</sup> ec.europa.eu, article titled "EU imports of energy products continued to drop in Q2, 2023"; September 25, 2023

<sup>5</sup> www.thehindu.com, article titled: India is now Europe's largest supplier of refined fuels: Kplr; May 1, 2023

## FORWARD LOOKING STATEMENTS

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.

## ABOUT QUESTOR TECHNOLOGY INC.

Questor Technology Inc., incorporated in Canada under the Business Companies Act (Alberta) is an environmental emissions reduction technology company founded in 1994, with global operations. The Company is focused on clean air technologies that safely and cost effectively improve air quality, support energy efficiency and greenhouse gas emission reductions. The Company designs, manufactures and services high efficiency clean combustion systems that destroy harmful pollutants, including Methane, Hydrogen Sulfide gas, Volatile Organic Hydrocarbons, Hazardous Air Pollutants and BTEX (Benzene, Toluene, Ethylbenzene and Xylene) gases within waste gas streams at 99.99 percent efficiency per its ISO 14034 Certification. This enables its clients to meet emission regulations, reduce greenhouse gas emissions, address community concerns and improve safety at industrial sites.

The Company also has proprietary heat to power generation technology and is currently targeting new markets including landfill biogas, syngas, waste engine exhaust, geothermal and solar, cement plant waste heat in addition to a wide variety of oil and gas projects. The combination of Questor's clean combustion and power generation technologies can help clients achieve net zero emission targets for minimal cost. The Company is also doing research and development on data solutions to deliver an integrated system that amalgamates all of the emission detection data available to demonstrate a clear picture of the site's emission profile.

The Company's common shares are traded on the TSX Venture Exchange under the symbol "QST". The address of the Company's corporate and registered office is 2240, 140 – 4 Avenue S.W. Calgary, Alberta, Canada, T2P 3N3.

## QUESTOR TRADES ON THE TSX VENTURE EXCHANGE UNDER THE SYMBOL 'QST'

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