



QUESTOR ANNOUNCES SECOND QUARTER RESULTS

Calgary, Alberta (August 24, 2023) – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) announced today its financial and operating results for the second quarter ended June 30, 2023.

Questor’s unaudited Condensed Consolidated Financial Statements and Management’s Discussion and Analysis for the quarter ended June 30, 2023 are available on the Company’s website at www.questortech.com/investors and at 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 June 30, 2023 and 2022.

SECOND QUARTER 2023 FINANCIAL RESULTS

For the	Three months ended June 30,		Six months ended June 30,	
(Stated in CDN \$)	2023	2022	2023	2022
Revenue	2,216,578	2,454,229	4,055,353	5,041,936
Gross profit	807,705	431,796	1,550,221	1,062,705
Loss for the period	(501,777)	(457,911)	(676,645)	(823,530)
Loss per share - basic and diluted	(0.02)	(0.02)	(0.02)	(0.03)

As at	June 30, 2023	December 31, 2022
(Stated in CDN \$)		
Working capital ¹	13,985,142	15,005,682
Total assets	32,965,172	33,872,553
Total equity	28,636,715	29,194,788

¹ Working capital is defined as total current assets less total current liabilities.

Revenue for the three and six months ended June 30, 2023 is \$2.2 million and \$4.1 million, compared to \$2.5 million and \$5.0 million for the same periods ended June 30, 2022. In the three and six months ended June 30, 2023, rental revenue has increased 28 and 37 percent and service revenue has increased 91 and 74 percent compared to the same periods in 2022. Equipment sales revenue is lower in the first six months of 2023 compared to 2022 due to more units being in the early stages of fabrication during 2023. As of today, the Company has \$1.1 million of committed equipment sales revenue to be completed for 2023. Requests for both equipment sales and rental proposals remain strong in 2023.

Gross profit as a percent of revenue for the three and six months ended June 30, 2023 was 36 and 38 percent compared to 18 and 21 percent in the same period of 2022. This significant increase in gross profit margin is a result of the focus on streamlining operational costs, as well as improved pricing and sales mix between equipment sales, rentals and service. The first six months of 2022 also included costs of \$0.5 million related to the waste heat to power project in Mexico. The increase in gross profit margin during the first six months of 2023, has resulted in a decrease in the loss for the first half of 2023, compared to the six months ended June 30, 2022.

The Company continues to have a strong financial position at June 30, 2023 including cash and cash equivalents of \$5.2 million, \$9.5 million of highly liquid short-term investments and working capital of 14.0 million.

SECOND QUARTER 2023 HIGHLIGHTS AND SUBSEQUENT EVENTS

Questor is pleased to announce the addition of Ryan Pilsner, Vice President of Global Operations and Customer Experience. Ryan brings more than 30 years of operational experience working in the Oil and Gas Service Sector. Subsequent to the quarter, the Company has also hired some key positions in procurement and logistics, operations, human resources and finance to support execution of the strategic plan.

During the second quarter of 2023, the Company continued receiving equipment and assembling the prototype for its 1500kw unit. There have been supply chain challenges that has pushed the timeline for completion of the prototype to the end of 2023. Installation at a third-party site and final field testing is expected to commence in the first quarter of 2024.

In July, a case management hearing was held with the judge in respect to the Emissions Rx contempt application. The judge has scheduled a two-day hearing of Questor’s application for contempt of court against Emissions Rx and each of the individual defendants, to be heard on December 12 and 13, 2023. The defendants’ responding affidavits are required to be filed by August 4th, and deadlines have been set by the Court for cross-examinations and filing of written arguments in advance of the hearing.

The Company announced the departure of President and CEO, Audrey Mascarenhas, effective August 23, 2023. Ms. Mascarenhas has also resigned from the Board of Directors. The Board of Directors is working on a transition plan that it expects to have completed in the near term. During this transition period, Board member Derek O’Malley-Keyes will act as interim President and CEO.

PRESIDENT'S MESSAGE

The regulatory environment in North America and globally continues to develop favorably for the Company's products as regulators, investors and the public put pressure on industry to reduce flaring and venting in order to reduce methane and other harmful emissions from their operations. The Company's existing rental fleet of clean combustion units and our strong reputation for providing reliable, high performing proprietary equipment for sale across the entire value chain, positions Questor to capitalize on the rapidly growing emissions reduction market. Our waste heat to power modular technology, when combined with our clean combustion solutions, increases energy efficiency and provides our customers with clean, zero emission power for use on site or onto the grid thereby lowering operating costs.

Many major countries including Canada and the United States ("U.S.") have unveiled significant funding and regulatory overhauls with an aim to reduce global methane emissions. Recent U.S. policy addresses methane emissions from the fossil fuel industry, including a significant new fee imposed on methane leaks, enacted as part of the Inflation Reduction Act. The Inflation Reduction Act ("IRA"; H.R. 5376) recently passed is the most significant investment the U.S. government has made in fighting climate change, putting more than \$369 billion toward projects that will reduce planet-warming emissions. The IRA includes supplemental appropriations of \$850 million to the Environmental Protection Agency and \$700 million for "marginal conventional wells" to provide grants to facilities subject to the methane charge for a range of objectives, including "improving and deploying industrial equipment and processes" that reduce methane emissions. These funds could support technology adoption at smaller oil and natural gas facilities or sites where the volumes are insufficient to justify infrastructure capital but significant enough to require technology like Questor's to ensure that methane and other hazardous pollutants are destroyed at a guaranteed high efficiency. This government support is particularly helpful to smaller oil and gas producers who have may not have the capital budget to address their site emissions. The IRA fee of "\$900 per metric ton of methane starting in 2024, increasing to \$1,500 per metric ton after two years" is pushing industry to look for practical solutions that are proven and are cost effective.

Other countries such as Ecuador, India, Iraq and Nigeria are looking at eliminating the oil and gas industry's long permitted practice of gas flaring which is providing significant opportunity for Questor. Many of the flares in these countries are far away from infrastructure and require practical cost-effective solutions such as Questor's clean combustion technology which is an enclosed unit and can be paired with the Company's waste heat to power to efficiently utilize the heat from the unit. In fact, the oil and gas regulator in Nigeria has granted approval to conduct a pilot to use Questor's equipment to demonstrate the opportunity to eliminate flaring onshore. We recently visited two refineries in India to evaluate the potential to reduce emissions in line with our client need to produce a cleaner, lower emission product. In Iraq and Ecuador there is public and court pressure to reduce flaring and venting from the industry and with the lack of gas pipeline infrastructure, Questor's clean combustion units provide an effective, inexpensive solution that can bring our clients into compliance and bridge to gap. We have provided proposals in both those jurisdictions.

Questor has significant advantages to offer customers with its proven, proprietary, ISO 14034 verified 99.99% efficient, clean, enclosed, safe, quiet, combustion technology. Some of the advantages include the speed and ease of deployment and it is very low cost when compared to the price of carbon and many other emission reduction solutions. The Company is focused on the following strategic growth opportunities:

North America

In North America the Company is expanding its sales focus to large customers in the midstream and downstream space to eliminate routine flaring and venting from their facilities and supporting them with the rental fleet during facility maintenance. We are focusing on the smaller players in the upstream oil and gas market who want to be in compliance and are looking for inexpensive solutions. The Company has also expanded its operational capability and is working on key partnerships to deploy its rental units to new locations across North America. The Company continues to be a leader in providing tall stack clean combustion units to eliminate the challenges from a safety and environmental perspective for acid and sour gas.

International

Questor has successfully deployed over 1000 units globally, using local partners to provide both upfront and after sales support. There are significant international opportunities for Questor to sell or rent equipment where there is a strong push to eliminate flares and the associated emissions. The World Bank estimates that everyday over 14.5 billion standard cubic feet of associated gas (solution gas from oil production) is flared and vented globally. Satellite imagery is highlighting the significant amounts of methane escaping from these facilities and hence a call to action to eliminate these emissions. Questor's clean combustion technology is being considered a proven way to do this and coupled with our ClearPower ORC waste heat to power modular technology we can ensure something useful is done with the gas.

Requests for proposals for our clean combustion solutions have increased significantly during 2022 and into 2023, from both international and domestic companies, who are exploring opportunities to use Questor's integrated solutions to reduce greenhouse gas emissions and meet the new regulations focused on methane. The continued pressure from the public, regulators and investors is expected to continue to increase demand for solutions that the Company's cost-effective, high efficiency, clean combustion systems, waste heat to power and data offerings can immediately provide. To respond to the opportunities presented by this rapidly growing emissions reduction market, the Company is increasing its operations and sales capability to service opportunities both in North America and the international market.

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. 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 Company is also doing research and development on data solutions to deliver an integrated system that amalgamates all of the emission detection data available and demonstrates how Questor's clean combustion and power generation technologies can be used to help clients achieve zero emission targets.

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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