



## QUESTOR TECHNOLOGY INC. ANNOUNCES STRATEGIC INITIATIVES

**Calgary, Alberta (February 4, 2021)** - Questor Technology Inc. ("Questor", the "company"), (TSX Venture Exchange: QST), announces strategic initiatives that will better position the company to capitalize on the rapidly changing ESG landscape and the global focus on the impact of methane emissions on climate change, while more closely aligning the business with the company's three growth strategies: increase clean combustion and power generation market share; diversification of revenue streams into new industries and geographical markets; and, accelerate development and commercialization of new products and services.

"We have been focused on our strategy and building a plan to significantly grow sales," said Audrey Mascarenhas, President and Chief Executive Officer. "Questor's 2021 initiatives include a reengineering of our sales, marketing, product development and product commercialization processes. We have a significant opportunity to strengthen our organization through talent additions, process redesign and technology implementation". We believe the organizational changes will help to drive stronger top-line growth and diversification. These actions are key elements of our comprehensive plan to grow our business over the next several years".

The Company's 2021 initiatives are under the direction of Darko Ulakovic, Chief Operating Officer, who joined the Company in October, 2020. Darko's significant leadership experience in sales and marketing, customer satisfaction, operations, product development and supply chain are key as the company drives accelerated growth.

### Sales & Marketing

With the addition of expertise and digital tools, the company has completed a diagnostic assessment of the sales and marketing function. All areas have been evaluated through the lens of the customer. The evaluation identified opportunities to enhance the company's ability to target regions with highest level of activity, improve the company's inbound customer journey, and strengthen outbound presence.

The company has implemented a new gated sales process that evaluates highest potential opportunities prior to engaging, using sales automation. This allows Questor to be more focused in conversations and to optimize offerings that deliver the best value-added solutions for our customer's operations, ESG goals and economics. The new integrated process also targets ideal solution fit based on historical and current market data. That data feeds into a newly implemented system that segments inbound and outbound touch points across the entire market. In addition, the Company has developed the capability to execute data-driven GoToMarket campaigns across any geography and validate our messaging within short period of time.

The process redesign combined with enhancements that have been implemented through technology and automation sets the stage for the next step of the initiative. The company is in the process of recruiting additional sales and marketing resources to support rapid penetration of existing basins and new markets for both our combustion and heat to power generation technologies. The recruitment and on-boarding process are on track to be completed during the first half of 2021.

### Investment

The investment in the sales & marketing, product development and commercialization initiatives are expected to result in significant sales growth, setting the stage for 2022 and into future years. The company estimates the initiatives will increase general and administrative expenses by approximately \$1.5 to 2.0 million per year on an annualized basis. The investment will be initially funded with a portion of the company's significant existing cash reserves.

### Product Development & Commercialization

Since our inception, the company has been focused on industry leading waste gas incineration solutions. Product innovation is a necessity for the company to proactively advance and to have sustainable success in competitive markets.

In conjunction with the sales and marketing initiatives, the company has evaluated and has reengineered the product development and our commercialization processes. The company's strategies include collaborations in data to deliver a system that amalgamates all the emission detection data available and shows how our combustion and power generation technologies can be used to help our clients reach zero emission targets at their sites. Our collaboration includes experts in emissions monitoring, artificial intelligence, block chain and data. Our goal is to enable our clients to demonstrate the delivery of a low carbon natural gas molecule to the market.

The company is also in the process of recruiting additional resources to support timely introduction of complimentary data, combustion, water vaporization and heat to power generation technologies. The new product development and commercialization division is expected to be functioning in the second half of 2021.

We are excited by the opportunities in front of us. Our focus in 2021 is on the building of a strong foundation to meet the market demand for ESG solutions in our energy transition world.

**Questor trades on the TSX Venture Exchange under the symbol 'QST'.**

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## ABOUT QUESTOR TECHNOLOGY INC.

Headquartered in Calgary, Alberta, with operations across North America, the Company provides specialized waste gas incineration products and services that destroy harmful pollutants in any waste gas stream at 99.99 percent efficiency enabling our clients to meet emission regulations, address community concerns and improve safety at industrial sites.

There are several methods for handling waste gases at oil and gas industrial facilities, the most common being combustion. Flaring and incineration are two methods of combustion accepted by many provincial and state regulators. Historically, the most common type of combustion has been flaring which is the igniting of natural gas at the end of a long metal tube or flare stack. This action causes the characteristic flame associated with flaring.

Incineration is the mixing and combusting of waste gas streams, air, and fuel in an enclosed chamber which are mixed at a controlled rate and ignited so that no flame is visible when operating properly. A correctly designed and operated incinerator can yield higher combustion efficiencies through proper mixing, gas composition, retention time, and combustion temperature. Combustion efficiency, generally expressed as a percentage, is represented by the amount of methane converted to CO<sub>2</sub>, or H<sub>2</sub>S converted to SO<sub>2</sub>. The more converted, the better the efficiency.

The Company designs, manufactures and services proprietary high efficiency waste gas incineration systems. The Company's incineration product line is based on clean combustion technology that was developed by the Company and initially patented in both Canada and the United States in 1999. The Company has continued to evolve the technology over the years making several improvements from the original patent which expired in November 2019. The Company currently has five new pending patent filings.

The Company's highly specialized technical team works with the client to understand the waste gas volume and composition allowing it to determine the correct incineration product specification to achieve 99.99 percent combustion efficiency. The incinerators vary in size to accommodate small to large amounts of gas handling ranging from 20 mcf/d to 5,000 mcf/d. The incinerators also vary in automation and instrumentation depending on the client's requirements. The Company's incinerators are currently used in multiple segments of the energy infrastructure industry including drilling, completions, production, midstream, downstream, and transportation and distribution.

The Company has three primary incinerator related revenue streams: sales, rentals and services. Incinerator services include hauling, commissioning, repairs, maintenance and decommissioning. The Company's current key incineration markets are Colorado, North Dakota, Mexico, Pennsylvania, Texas, Alberta and North East BC. The United States Environmental Protection Agency (EPA) issued regulations to reduce harmful air pollution arising from crude oil and natural gas industry activities with a particular focus on the efficient destruction of volatile organic compounds (VOC's) and hazardous air pollutants (HAP's) and has recently introduced methane emission reduction legislation. In conjunction with EPA regulations, Colorado's Regulation 7 mandates the use of enclosed combustion (incinerators) and now targets methane, resulting in a statewide focus on the responsible management of potentially fugitive hydrocarbons. North Dakota also has additional requirements that reflect some of the unique and specific needs that extend beyond the EPA's requirements. Pennsylvania is proposing legislation that will limit VOC emissions to 1.7t/year and 200t/year of methane per site, necessitating the need for highly efficient combustion equipment to deal with waste and fugitive gas emissions. California has banned open flaring by 2021. Other US states are working on enhancing regulations that deal with waste gas emissions. Mexico set a target to reduce methane emissions by 75 percent by 2025 creating an opportunity for the Company to eliminate the venting of methane through our clean combustion technology. Over 90 percent of the Company's incinerator rental fleet is in Colorado and North Dakota where regulation supports demand for its proprietary high efficiency waste gas incineration systems.

The Company services its key markets with field locations in Brighton and Fort Lupton, Colorado; Watford City, North Dakota and Grande Prairie, Alberta. The infrastructure at the field locations consists of field and maintenance technicians and technical sales staff. The facilities generally include, office space, maintenance shop and storage yard. We also have a sales presence in Texas and Pennsylvania. Personnel based out of Company's head office in Calgary, Alberta include Officers of the Corporation, management, engineering, technical sales, accounting and administration.