MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management Discussion and Analysis ("MD&A") is dated May 23, 2023 and is a review of Questor Technology Inc. ("Questor" or the Company") financial condition and results of operations prepared in accordance with International Financial Reporting Standards ("IFRS"). The focus of this MD&A is a comparison of the financial performance of the Company for the three months ended March 31, 2023 and 2022. This MD&A should be read in conjunction with the unaudited condensed consolidated financial statements for the three months ended March 31, 2023 as well as the audited consolidated financial statements of Questor as at and for the year ended December 31, 2022. This MD&A contains forward-looking information or statements. Readers should review the legal advisory related to this under the *Forward-Looking Statements* section of this MD&A.

QUESTOR'S BUSINESS OVERVIEW

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 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.

CONSOLIDATED FINANCIAL RESULTS

For the three months ended March 31,	**2023**	2022
(Stated in CDN $)		
Revenue	**1,838,775**	2,587,707
Gross profit	**742,516**	630,909
Loss for the period	**(174,868)**	(365,620)
Loss per share – basic and diluted	**(0.01)**	(0.01)

As at	**March 31, 2023**	December 31, 2022
(Stated in CDN $)		
Working capital[1]	**14,715,640**	15,005,682
Total assets	**33,885,315**	33,872,553
Total equity	**29,107,363**	29,194,788

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

Revenue for the three months ended March 31, 2023 was $1.8 million versus $2.6 for the same period in 2022. Rental revenue has increased 47 percent and service revenue has increased 57 percent in the three months ended March 31, 2023 compared to the same period in 2022. However, equipment sales revenue is $1.0 million lower in the three months ended March 31, 2023 compared to 2022 due to the timing of completion of units. In the first quarter of 2023 there were three units in the early stages of fabrication compared to significant work having been completed on three units in the first quarter of 2022. As at the date of this MD&A, the Company has announced equipment sales contracts for four units totaling $2.6 million. Requests for proposals from customers related to equipment sales remains strong in 2023.

Gross profit as a percent of revenue for the three months ended March 31, 2023 was 40% compared to 24% in the same period of 2022. This significant increase in 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 Company continues to have a strong financial position at March 31, 2023 including cash and cash equivalents of $5.0 million, $10.4 million of highly liquid short-term investments and working capital of $14.7 million.

FIRST QUARTER 2023 HIGHLIGHTS AND SUBSEQUENT EVENTS

During the first quarter, the Company continued its research and development on its waste heat to power project and commenced the assembly of the prototype for its 1500kw unit. The Company expects to complete the prototype and install it on a third-party site to commence final field testing before the end of 2023.

Subsequent to the first quarter, the Board of Directors approved the issuance of 105,000 preferred share units and 105,000 restricted share units to directors, officers and employees.

MARKET OUTLOOK

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.

The U.N. Intergovernmental Panel on Climate Change (IPCC) report stated that the world is likely to surpass the goal of limiting warming to 1.5 degrees Celsius above preindustrial temperatures by the early 2030s. According to the report the world is on the brink of catastrophic warming and methane emissions must fall for the world to hit this temperature target. There is global recognition that cutting methane emissions to the atmosphere is the fastest way to reduce near term warming and is necessary to keep a 1.5°C temperature limit within reach. Climate scientists have turned their focus on methane as "carbon dioxide on steroids," because it is short-lived but a highly intensive climate pollutant that possesses more than 80 times the warming power of carbon dioxide during its first two decades in the atmosphere. The World Meteorological Organization Provisional State of the Global Climate 2022 reported that methane levels in the atmosphere are continuing to climb to new highs, reaching 262 percent of pre-industrial levels. As a result, more than 130 countries have signed the Global Methane Pledge to reduce global methane emissions by 30 percent below 2020 levels by 2030.

A report in November of 2022 by the Global Energy Monitor shows that just 30 oil and gas companies are responsible for 43 percent of the energy sector's global methane emissions. Some of the identified companies are large international public companies who are facing increased pressure from their investors and regulators to have a plan to reduce their methane emissions and who have committed to cut fugitive emissions of methane, a potent greenhouse gas, to near zero by 2030. Various methane detection technologies are forcing companies to act as they highlight how large the problem is and where it is occurring. The Associated Press had reported that 533 oil and gas facilities were emitting excessive amount of methane in the Permian and the Environmental Protection Agency ("EPA") responded by flying a helicopter equipped with a special infrared camera that can detect emissions of hydrocarbon vapers that are invisible to the naked eye and is taking action where it determine there are Clean Air Act violations. This action includes both large fines and a requirement to eliminate the emission sources.

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. The IRA will also impose a fee of "$900 per metric ton of methane starting in 2024, increasing to $1,500 per metric ton after two years".

Other countries such as Ecuador 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.

Satellite, helicopter and airplane flyovers with methane detection equipment is illustrating how significant the methane emissions are in the oil and gas industry from routine and non-routine flaring. For example, in the US our rental fleet is being used to support pipeline companies during their Questor Technology Inc. 2022 Annual Management Discussion and Analysis Page 3 maintenance and repair activity. Combusting this vented gas efficiently with Questor's clean combustion equipment has reduced greenhouse gas emissions by over 90% at a cost of less than $1/tonne of CO_2e. This gas is sometimes flared but research has shown that flares are not as efficient as they were thought to be. A recent investigation in the Permian by the Environmental Defense Fund has found that 11% of the flares they reviewed were malfunctioning with 5% of them unlit, venting all the methane sent to them.

The Company's ISO 14034 verified 99.99% efficient, clean, enclosed, combustion technology, is being considered widely as a way to reduce methane emissions from the oil and gas industry including both offshore and onshore petroleum and oil and natural gas production; oil and natural gas processing; natural gas transmission compression; underground natural gas storage; liquefied natural gas storage; liquefied natural gas import and export equipment; onshore petroleum and natural gas gathering and boosting; and onshore natural gas transmission pipelines. 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, which include the elimination of flaring and venting to meet the new regulations focused on methane. The continued pressure from the public, regulators and investors is expected to result in companies focusing their efforts to reduce emissions resulting in increased 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.

FIRST QUARTER FINANCIAL OVERVIEW

For the three months ended March 31,	**2023**	2022
(Stated in CDN $)		
Revenue	**1,838,775**	2,587,707
Cost of sales	**1,096,259**	1,956,798
Gross profit	**742,516**	630,909
Percent of gross profit to revenue	**40**	24

REVENUE

Revenue for the three months ended March 31, 2023 is comprised of:

Equipment Sales
Equipment sales revenue for the three months ended March 31, 2023 was $0.7 million compared to $1.8 million for the same period in 2022. The fluctuation in revenue is due to the timing of completion of units. In the first quarter of 2023 there were three units in the early stages of fabrication compared to significant work having been completed on three units in the first quarter of 2022. As at the date of this MD&A, the Company has announced equipment sales contracts for four units totaling $ 2.6 million of committed equipment sales revenue for 2023. Requests for proposals from customers related to equipment sales remains strong in 2023.

Equipment Rentals
Equipment rentals for the three months ended March 31, 2023 was $0.9 million compared to $0.6 million for the same period in 2022. The increase of 47 percent in rental revenue in 2023 is due to increased activity with existing customers as well as some new customers primarily in Colorado.

Equipment Service and Repairs
Equipment service and repairs revenue for the three months ended March 31, 2023 increased 57 percent compared to the same period in 2022 which is consistent with increased rental activity.

GROSS PROFIT

Gross profit as a percent of revenue for the three months ended March 31, 2023 was 40% compared to 24% in the same period of 2022. This significant increase in 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.

CORPORATE COSTS

For the three months ended March 31,	**2023**	2022
(Stated in CDN $)		
Gross profit	**742,516**	630,909
Less corporate costs:		
Administration expenses	**872,228**	657,612
Research and development expenses	**102,811**	149,903
Share based payments	**83,703**	100,587
Depreciation expense	**31,663**	32,984
Amortization of intangible assets	**35,032**	35,031
Net foreign exchange losses	**5,199**	40,963
Other expenses (income)	**(70,265)**	38,195
Loss before tax	**(317,855)**	(424,366)
Income tax recovery	**(142,987)**	(58,746)
Loss for the period	**(174,868)**	(365,620)

Administrative Expenses
Administrative expenses for the three months ended March 31, 2023, were $0.9 million versus $0.7 million for the same period in 2022. Administrative expenses for the three months ended March 31, 2023 are higher by $0.2 million compared 2022 because the Company received $0.1 million COVID related subsidies in 2022. In addition, inflation has resulted in significant increases in rates for professional services and corporate related costs. Employee costs have also increased in 2023 compared to 2022 due to lower staff vacancies as well as salary increases in line with inflation.

Share-based compensation
Share-based compensation costs were consistent for the three months ended March 31, 2023 compared to the same period in 2022.

Research and development expenses

Research and development expenses were consistent for the three months ended March 31, 2023, compared to the same period in 2022.

Depreciation and amortization expenses

Depreciation and amortization expense is consistent year over year as there have been no significant capital additions over the past year.

Foreign Exchange Gains/Losses

Foreign exchange gains and losses for the Company fluctuate primarily based on the change in the US dollar relative to the CDN dollar.

Other Expenses (Income)

Other expenses (income) for the three months ended March 31, 2023 include $0.1 million interest earned on short-term investments in 2023 compared to $nil in the same period of 2022, partially offset by costs incurred to file a contempt of court application in the Emission Rx lawsuit described further in the annual consolidated financial statements.

Income Tax

Income tax expense (recovery) is recognized based on Management's best estimate of the weighted average annual effective income tax rate expected for the year. During the three months ended March 31, 2023, the Company recognized expected SR&ED benefits relating to the waste heat to power project.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial liability obligations. The Company manages its liquidity risk through cash, short-term investments and debt management, which includes monitoring forecasts of the Company's cash and cash equivalents on the basis of projected cash flow.

The Company has positive net working capital of $14.7 million at March 31, 2023, (December 31, 2022 - $15.0 million).

Cash flow for the three months ended March 31,	**2023**	2022
(Stated in CDN $)		
Cash provided by (used in):		
Operating activities	**560,710**	671,060
Investing activities	**(4,440,475)**	(289,084)
Financing activities	**(155,924)**	739,776
Decrease in cash	**(3,995,689)**	1,121,752

Operating Activities

The Company had a cash inflow of $0.6 million from operations for the three months ended March 31, 2023 (March 31, 2022 – inflow of $0.7 million), due to strong margins on revenue as a result of improved pricing, sales mix and continued focus on controlling costs.

Investing Activities

Investing activities for the three months ended March 31, 2023, resulted in a cash outflow of $0.4 million related to the Company's development of its waste heat to power project. The Company also invested a further $4.0 million in highly liquid short-term investments to take advantage of higher interest rates.

Financing Activities

Cash used in financing activities for the three months ended March 31, 2023, included $0.1 million related to lease payments and $0.1 million of loan repayments which commenced January 1, 2023 on the interest free Western Diversification loan received during COVID. In the first quarter of 2022, The Company received $0.8 million cash from government grants for its research and development projects and paid $0.1 million under its lease obligations.

SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares. As at the date of this MD&A, the Company had 27,933,299 common shares outstanding. The Company has share-based payment plans comprising restricted, performance and deferred share unit plans as well as a stock option plan. The maximum number of equity-based compensation units in aggregate under these plans that may be reserved for issuance shall not exceed 10 percent of the outstanding common shares of the Company. As at the date of this MD&A, there were 798,227 share-based payments issued and outstanding leaving 1,995,103 available for issuance.

SUMMARY OF QUARTERLY RESULTS

For the three months ended	**Mar 31, 2023**	Dec 31, 2022	Sep 30, 2022	June 30, 2022	Mar 31, 2022	Dec 31, 2021	Sep 30, 2021	June 30, 2021
(CND$ '000's except amounts per share)								
Revenue	**1,839**	1,665	1,674	2,454	2,588	1,127	1,644	1,184
Gross profit (loss)	**743**	487	484	432	631	(946)	38	(127)
Loss for the period	**(175)**	(890)	(12)	(458)	(366)	(1,776)	(453)	(873)
Per share – basic and diluted	**(0.01)**	(0.03)	(0.00)	(0.02)	(0.01)	(0.06)	(0.02)	(0.03)

COMMITMENTS AND CONTINGENCIES

The Company has lease commitments for premises and storage facilities as disclosed in the 2022 annual consolidated financial statements. As at March 31, 2023, the Company has entered into purchase commitments for materials required to build the 1500kw prototype unit for its waste heat to power research and development project in the amount of $1.0 million.

During the three months ended March 31, 2023, the Company continued to pursue its claim against Emissions RX related to infringement on the Company's intellectual property. From time to time, the Company is also subject to other legal proceedings, settlements, investigations, claims and actions arising from the normal course of business. While the final outcome of such actions and proceedings cannot be predicted with certainty, the Company believes that the resolution of such matters will not have a material impact on the Company's financial position or results of operations as at March 31, 2023.

FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, investments, trade, contract assets and other receivables, trade payables, accrued liabilities and provisions and a repayable government grant. The Company did not hold or issue any derivative financial instruments during the period.

Fair values

The carrying amounts of the current financial assets and current financial liabilities recognized in the Company's consolidated financial statements at the end of each reporting period approximate their fair value due to their short period to maturity except for the repayable government grant. Judgment is required in interpreting market data to develop the estimates of fair value. These estimates are not necessarily indicative of the amounts we could realize in current markets. The fair value of the government grant is determined based on market-based prices and is classified as Level 2 on the fair value hierarchy.

Credit risk

Credit risk arises from the potential that one or more counterparties fail to meet their obligations. A substantial amount of the Company's trade and contract receivables, which relate to the Company's revenues, are with customers in the oil and gas industry and are subject to normal industry credit risks. The Company mitigates this risk through its credit policies and practices including the use of credit limits and approvals, and by monitoring the financial condition of its customers. Payment terms with customers vary by contract. Standard payment terms are 30 days from the invoice date.

The Company is also exposed to the risk of dependence on a few customers for a significant amount of the Company's revenue. The Company notes that equipment sales revenue which comprises a significant portion of total revenue, generally relates to a small number of customers each year but these customers change each year. The Company bills and collects equipment revenue throughout the contract which reduces collection risk. There is a concentration of rental and related service repair revenue. For the three months ended March 31, 2023 and 2022, there were two customers who comprised 81 and 82 percent respectively, of total rental, service and repair revenue.

Foreign currency risk

The Company is exposed to foreign exchange risk associated with foreign operations where assets, liabilities, revenue and costs are denominated in US dollars. The impact of this exposure is recorded as a cumulative translation adjustment in other comprehensive income. The Company is also exposed to the impact of foreign currency fluctuations in its Canadian operations on sales and purchases of products and services from vendors primarily in the United States. The Company mitigates some of the foreign currency risk by keeping a US dollar bank account to receive US payments and fund US dollar purchases.

RELATED-PARTY TRANSACTIONS

The Company defines key management personnel as being the directors, Chief Executive Officer and Chief Financial Officer. In addition to their salaries, benefits and directors' fees, the Company also provides non-cash benefits including participation in the Company's stock option, restricted performance and deferred share unit plans. There were no other related party transactions during the three months ended March 31, 2023 and 2022.

ACCOUNTING POLICIES AND NEW ACCOUNTING PRONOUNCEMENTS

The Company’s significant accounting policies and future accounting pronouncements are included in the Annual Consolidated Financial Statements for the year ended December 31, 2022.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the interim condensed consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported assets, liabilities, revenues, expenses and the disclosure of contingencies. Actual results may differ significantly from these estimates. A description of the significant accounting judgements, estimates and assumptions are set out in annual audited consolidated financial statements for the year ended December 31, 2022.

BUSINESS RISKS

The business of Questor is subject to certain risks and uncertainties. Prior to making any investment decision regarding Questor, investors should carefully consider, among other things, the risk factors set forth in the Company’s most recently filed Annual MD&A, which are specifically incorporated by reference herein.

ADVISORIES-FORWARD LOOKING STATEMENTS

In order to provide the Company shareholders and potential investors with information regarding the Company and its subsidiaries, including management's assessment of the Company’s plans and future operations, certain statements contained in this MD&A, including statements that contain words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "forecast" or similar words suggesting future outcomes, are forward-looking statements.

In particular, forward-looking statements in this MD&A include, but are not limited to, statements with respect to expected operating strategies and targets, capital expenditure programs, future financial resources, use of funds, anticipated equipment utilization levels, future oil and natural gas well activity in each of the Company's operating jurisdictions, results of acquisitions, the impact of environmental regulations and economic reforms and sanctions on the Company's business, future costs or potential liabilities, projections of market prices and costs and customer demand, supply and demand for the Company’s products and services, expectations regarding the Company's ability to maintain its competitive position, anticipated benefits of the Company's competitive position, expectations regarding the Company's ability to raise capital, treatment under government regulatory regimes, commodity prices, anticipated outcomes of specific events, trends in, and the growth prospects of, the global energy industry, the Company's growth prospects including, without limitation, its international growth strategy and prospects, and the impact of changes in accounting policies and standards on the Company and its financial statements. These statements are derived from certain assumptions and analyses made by the Company based on its experience and perception of historical trends, current conditions, expected future developments and other factors that it believes are appropriate in the circumstances, including, but not limited to, the economic and political environment in which the Company operates, the Company's expectations for its current and prospective customers' capital budgets and geographical areas of focus, the Company's existing contracts and the status of current negotiations with key customers and suppliers, the effect unconventional gas projects have had on supply and demand fundamentals for natural gas and the likelihood that the current tax and regulatory regime will remain substantially unchanged.

Forward-looking statements are subject to several known and unknown risks and uncertainties that could cause actual results to differ materially from the Company's expectations. Such risk factors include: general economic conditions in Canada and globally; volatility in market prices for oil and natural gas and the effect of this volatility on the demand for oilfield services generally; competition; liabilities and risks, including environmental liabilities and risks, inherent in oil and natural gas operations; changes in legislation and the regulatory environment; sourcing, pricing and availability of raw materials, components, parts, equipment, suppliers, facilities and skilled personnel; the ability to integrate technological advances and match advances by competitors; the availability of capital on satisfactory terms; intellectual property risks; uncertainties in weather and temperature affecting the duration of the service periods and the activities that can be completed; dependence on, and concentration of, major customers; the creditworthiness and performance by the Company's counterparties and customers; liabilities and risks associated with prior operations; the effect of accounting pronouncements issued periodically; failure to realize anticipated benefits of acquisitions and dispositions; and currency exchange rate risk. Further information about these and other risks and uncertainties may be found under "Business Risks" above.

Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and there can be no assurance that actual results or developments anticipated by the Company will be realized, or that they will have the expected consequences or effects on the Company or its business or operations. These statements speak only as of the respective date of this MD&A or the document incorporated by reference herein. The Company assumes no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or otherwise, except as required pursuant to applicable securities laws.

ADDITIONAL INFORMATION

Further information regarding Questor Technology Inc. can be accessed on the Company's website at www.questortech.com or under the Company's public filings found at www.sedar.com.