



**NEWS RELEASE**  
**QUESTOR TECHNOLOGY INC.**  
**ANNOUNCES FOURTH QUARTER AND YEAR END 2015 RESULTS**

**Calgary, Alberta (April 27, 2016)** – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) announced today its financial and operating results for the year ended December 31, 2015.

The Company’s revenue for year-end December 31<sup>st</sup>, 2015 was \$8,112,913, down by 35 percent from \$12,414,893 for the prior year. Revenues from the sale of incinerators decreased 56 percent from the prior year impacted by our clients reduced activity and capital constraints, as a result of depressed oil and gas prices through 2015. The decline in sales revenue was offset by a 19% growth in revenue from rentals and service over the previous year. Total comprehensive loss for year-end December 31<sup>st</sup>, 2015 was (\$23,666), down from total comprehensive income of \$2,927,416 in the prior year. The total comprehensive loss was impacted by the \$4,301,980 decrease in revenue and bad debts of \$706,929 recorded in Q4. Earnings per share for 2015 decreased to \$0.00 from \$0.11 when compared to the prior year. Without the bad debt, Questor would have had positive income and basic earnings per share of \$0.02.

**FINANCIAL HIGHLIGHTS SUMMARY**

*(Stated in Canadian dollars except shares outstanding)*

For the years ended December 31	2015	2014	Increase (decrease)
Revenue	<b>8,112,913</b>	12,414,893	(4,301,980)
Gross profit <sup>(1)</sup>	<b>3,352,444</b>	6,325,943	(2,973,499)
<b>ADJUSTED EBITDA<sup>(1)</sup></b>	<b>877,893</b>	4,713,995	(3,836,102)
Total comprehensive (loss) income	<b>(23,666)</b>	2,927,416	(2,951,082)
Cost of sales as a percent of revenue <sup>(1)</sup>	<b>59.0%</b>	49.0%	10%
Funds flow from operations before movements in non-cash working capital	<b>800,318</b>	4,946,813	(4,146,495)
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<b>As at December 31</b>			
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Total assets	<b>16,280,884</b>	16,427,044	(146,160)
Non-current liabilities	<b>310,857</b>	230,822	80,035
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Shares outstanding <sup>(2)</sup>			
Basic	<b>25,922,747</b>	25,579,034	343,713
Diluted	<b>25,922,747</b>	26,355,613	(432,866)
Earnings per share - Basic	<b>0.00</b>	0.11	(0.11)
- Diluted	<b>0.00</b>	0.11	(0.11)

<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, 2015.*

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

For the three months ended December 31	2015	2014	Increase (decrease)
Revenue	<b>2,327,658</b>	1,569,591	758,067
Gross profit <sup>(1)</sup>	<b>999,300</b>	719,386	279,914
<b>ADJUSTED EBITDA<sup>(1)</sup></b>	<b>(482,532)</b>	263,598	(746,130)
Total comprehensive (loss) income	<b>(505,795)</b>	(149,062)	(356,733)
Cost of sales as a percent of revenue <sup>(1)</sup>	<b>57.0%</b>	54.0%	3%
Funds flow from operations before movements in non-cash working capital	<b>(672,538)</b>	(55,635)	(616,903)

<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, 2015.*

Revenue for this quarter was \$2,327,658, an increase of 48% from the corresponding quarter in 2014, as a result of increased sales. A gross profit of \$999,300 was realized, 39% higher than the prior year fourth quarter. The \$706,929 of bad debts recorded in this fourth quarter affected the results negatively.

The prolonged downturn in oil and gas prices is expected to continue to decrease the activity levels and capital spending in the oil and gas industry into 2016. Also impacting our clients, is the recent global focus on emissions and the commitments in Paris at COP21 to reduce greenhouse gas emissions (GHG) over concern with climate change. The U.S. Environmental Protection Agency (EPA) has introduced regulation that focuses on air quality and emissions from the oil and gas industry in particular methane, hazardous air pollutants (HAP's) and volatile organic hydrocarbons (VOC's) with the proviso that States adopt and regulate at minimum the EPA standards. In 2015 Questor completed the testing on our units and received certification from the EPA that our equipment is Quad "O" compliant.

The governments of Canada and the United States recently issued a joint statement committing to reduce methane emissions from the oil and gas sector by 40-45 percent below 2012 levels by 2025. To implement this commitment, the Canadian federal government will introduce regulations to reduce methane emissions from the oil and gas sector to address venting and fugitive emissions. The Canadian requirements will cover emissions from the same sources subject to current and proposed U.S. regulatory requirements and will also require reductions from some unique Canadian sources such as heavy oil. The proposed methane regulations will be published by early 2017, with final regulations published by the end of 2017. These regulations will apply to new and existing sources, with the first requirements coming into force as early as 2018, and the remaining requirements coming into force by 2020.

"In this challenging economic environment, our clients in Canada will be looking for technology solutions that are reliable, reduce operating costs, are cost effective, have a track record, and are proven. Questor's technology solutions have been deployed globally in a variety of applications with strong customer testimonials," said Ms. Audrey Mascarenhas, Questor's President and CEO. "In response to regulations and demand for our equipment in Colorado, we deployed our mobile rental units to the State and set up an operations facility to meet demand for regulated closed loop completions," she added. "The company is well positioned to create additional operating hubs with rental equipment in other locations as the opportunities arise"

In 2014, the Company made some important investments in product development focused on providing our customers with an integrated solution and diversifying the Company's product offering. Questor acquired ClearPower Systems Inc. ("ClearPower") early in 2014, for its technology to convert waste heat into power. The integration of waste heat from Questor's incineration process with the power generation capability of the ClearPower technology is expected to present a valued solution for current and future customers outside of the oil and gas industry. Ms. Mascarenhas continued, "We are evaluating the waste heat market to which the ClearPower technology can be directly applied. For example, ClearPower's combined heat and power (CHP) can be retrofit on existing exhaust stacks such as those from compressors and any engines producing exhaust heat or included as a replacement to an aerial cooler. We made a further investment in the technology in 2015 and certified the performance of the unit. To aid in the technology development, the Canadian government has provided a \$1.98 million grant through Sustainable Development Technology Canada (SDTC). This funding for Questor's

“HeatQuest” project will be used to further develop the technology that captures waste heat from incinerators and other heat sources, and turns it into electricity. The funding will also assist with the construction of a demonstration project at an oil and gas producer’s facility near Calgary. We believe the market to be substantial and anticipate revenue generation from this business segment in the second half of 2016. We have opened up an office and fabrication facility in Florida to assemble the ClearPower units and have added a full scale test cell in order to properly function test these units.” Questor has set up a subsidiary, Questor Solutions and Technologies (QST), to conduct our sales and rental business in the U.S.. Adding this technology will allow Questor to enter markets outside of oil and gas. Questor has evaluated a number of applications in other industries where the need is significant. Although Questor’s economic benefit to its clients will continue to grow with the emergence and development of a carbon credit market in Canada, the diversity of technical solutions will also be strategically key in Questor’s growth during periods of reduced activity in the oil and gas sector.

In addition, Questor has responded to the oil and gas industry’s significant need for processed water management and cost control, further developing technology utilizing waste heat that will reduce water waste volumes at the well site by up to 90 percent. Current water handling costs are in the order of \$9-\$20/bbl. of water, which causes producers to shut in many wells at current oil prices. Additionally, there has been much community concern over seismic activity in areas where significant water disposal is occurring. By vapourizing the produced or flowback water to the atmosphere utilizing waste heat, it allows it to stay in the ecosystem at a cost of less than \$3/bbl; a potential savings of 67 to 85 percent. With the current shortages of water in many jurisdictions, this practice is more sustainable environmentally, more economic and the water can be re-used by condensing the vapour stream. The technology is expected to be pilot demonstrated in Q2 2016 and then commercialized and marketed in Q4 2016. We received support from Alberta Innovates who will be a strong technical partner and have provided \$150,000 in support of the commercialization.

Both the waste heat to power and water vapourization technologies will serve the same markets that the Company is currently pursuing and are complementary to completion flow backs as well as production operations. The U.S. continues to be a focal point for Questor; in particular, in Colorado where Questor’s units are enabling industry to conduct its operations in compliance with new regulations requiring enclosed combustion resulting in “closed loop flow backs”.

The significant decline in global oil prices over the past eight months has caused our customers to look for opportunities to reduce costs, defer capital spending and refocus on areas that are more profitable. The solutions that Questor is providing enable our customers to reduce costs, comply with regulations and improve the profitability of their operations. In the current economic environment, the option to rent our equipment is attractive to both our clients and Questor. Rental revenue has grown significantly this year and strategically we will continue to look for opportunities to increase the contribution of rental revenue to our cash flow. The Company has considerable financial flexibility and remains well positioned to react to the opportunities in the market place.

Audrey Mascarenhas participated in numerous speaking engagements in 2015. Of note Audrey spoke on “Energy and the Environment” at the SelectUSA Summit in Washington held March 23 – 24, 2015 . On October 9, 2015, Ms. Mascarenhas accepted an invitation to participate as a panel member of the Minister of Finance’s Round Table session held in Calgary. Questor was recognized by MaRS and the Cleantech Innovation exchange (CIX) as one of the Top 10 Most Innovative Cleantech Canadian Companies. Audrey was selected to be a fellow of the Natural Step Energy Futures Lab focusing on the energy transition in Alberta. She co-authored a paper on emissions in the Journal of Petroleum Technology (JPT) for the Society of Petroleum Engineers (SPE) with Mr, John Sutherland, Questor’s COO.

Questor’s unaudited condensed consolidated financial statements and notes thereto and Management’s Discussion and Analysis for the three months ended December 31, 2015 and Year end 2015 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 a public, international environmental Cleantech company founded in late 1994 and headquartered in Calgary, Alberta, with field offices located in; Grande Prairie, Alberta; Brighton, Colorado; and Brooksville, Florida. The company is active in Canada, the United States, Europe and Asia and is focused on clean air technologies that safely and cost effectively improve air quality, support energy efficiency and greenhouse gas emission reductions.

Questor designs, manufactures and services high efficiency waste gas combustion systems; as well as, power generation systems and water treatment solutions utilizing waste heat. Our proprietary incinerator technology is

utilized worldwide in the effective management of Methane, Hydrogen Sulphide gas, Volatile Organic Hydrocarbons, Hazardous Air Pollutants and BTEX gases ensuring sustainable development, community acceptance and regulatory compliance. Questor and its subsidiary, ClearPower Systems are providing solutions for landfill biogas, syngas, waste engine exhaust, geothermal and solar, cement plant waste heat in addition to a wide variety of oil and gas projects in Canada, throughout the United States, the Caribbean, Western Europe, Russia, Thailand, Indonesia and China. With a focus on solid engineering design, our products enable our clients to operate cost effectively in an environmentally responsible and sustainable manner.

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

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