



NEWS RELEASE
QUESTOR TECHNOLOGY INC.

ANNOUNCES 266 PER CENT INCREASE IN THIRD QUARTER RENTAL AND SERVICES REVENUES

Calgary, Alberta (November 28, 2014) – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) announced today its financial and operating results for the third quarter of 2014. Earnings per share for the nine month period ending September 30th, 2014 increased by 60% to \$0.121 from \$0.075 for the same period of the prior year. Questor’s third quarter results benefited from a substantial increase in rental and combustion services revenues in both Canada and the U.S. This trend is expected to continue as “first mover” states adopt more stringent policies regarding emissions. Revenue this quarter was \$3.1 million, 5 per cent higher than the third quarter of 2013. The gains in rental and combustion services revenues were partially offset by lower revenues from the sale of units. The Company reported a 6 per cent improvement in profit at \$867,856⁽²⁾ (\$0.034 per basic share) for the three months ended September 30, 2014 compared to a profit of \$817,840 (\$0.033 per basic share) for the same three month period of the prior year. Cost of sales as a percent of revenue was lower in the current quarter, due to the growth in rental revenue, contributing to the increase in profitability while higher administrative costs and higher income tax expense acted to moderate the impact of the gross margin gains on profit for the period. Overall, revenue generated in the first nine months of 2014 was 13% higher than revenue generated in full year 2013.

FINANCIAL HIGHLIGHTS SUMMARY

(Stated in Canadian dollars except shares outstanding)

For the	Three months ended September 30			Nine months ended September 30		
	2014	2013	Increase (decrease)	2014	2013	Increase (decrease)
Revenue	3,127,213	2,989,767	137,446	10,845,301	6,973,090	3,872,211
Gross profit ⁽¹⁾	1,618,863	1,336,609	282,254	5,606,556	3,404,490	2,202,066
EBITDA ⁽¹⁾	1,358,819	1,036,215	322,604	4,483,249	2,490,024	1,993,225
Profit for the period ⁽²⁾	867,856	817,840	50,016	3,063,929	1,869,101	1,194,828
Cost of sales as a percent of revenue ⁽¹⁾	48.2%	55.3%	(7.1%)	48.3%	51.2%	(2.9%)
Cash generated from operations before movements in non-cash working capital ⁽¹⁾	1,332,126	1,032,556	299,570	4,674,394	2,573,968	2,100,426
Shares outstanding ⁽²⁾						
Basic	25,714,761	25,119,327	595,434	25,492,507	25,068,175	424,332
Diluted	26,498,220	25,917,239	580,981	26,284,681	25,772,662	512,019
Earnings per share						
Basic	0.034	0.033	0.001	0.121	0.075	0.046
Diluted	0.033	0.032	0.001	0.117	0.073	0.044

As at	September 30, 2014	December 31, 2013	Increase (decrease)
Total assets	17,338,114	14,029,829	3,308,284
Non-current liabilities	173,404	175,130	(1,726)

(1) Non-IFRS financial measure. Please see discussion in the Non-IFRS Financial Measures section of Questor’s Management’s Discussion and Analysis for the three and six months ended September 30, 2014.

(2) Before Other comprehensive income

(3) Weighted average.

“The heightened environmental focus on emissions from flaring, climate change and the health concerns arising from the impacts of poor air quality have created a significant market opportunity for Questor domestically and internationally. It has become essential for our clients to address these issues to obtain approval for projects and the social license to operate.” said Ms. Audrey Mascarenhas, Questor’s President and CEO. “We are working with key individuals in business and government in the first mover states in the U.S. as they apply air quality rules, as stringently or more so than what has been laid down by the EPA. Demand for our products is expected to grow quickly in both the sales and rental businesses”, she continued. “We have an inventory of units available and have fabrication partners with sufficient capacity to meet new orders.”

Management continues to develop strategic relationships with organizations in various regions. The US continues to be a focal point for Questor and, in particular, in Colorado where technology such as Questor’s, including minor modifications made to its large well test incinerators, will allow industry to conduct its operations in compliance with new regulations requiring enclosed combustion resulting in “closed loop flow backs”.

In addition to this Questor has responded to a large industry demand for water management. This technology will reduce water waste at the well site by over 95% and this will be commercialized in 2015. Both the waste heat to power and water vapourization technologies will serve the same markets that Questor is currently pursuing and are complementary to both completion flow backs as well as continued production operations.

Questor acquired ClearPower Systems Inc. (“ClearPower”) early in the year, which company has developed technology that will transform waste heat from any source 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. Ms Mascarenhas continued, “We are evaluating the waste heat market to which the ClearPower technology can be directly applied. We believe the market to be substantial and we anticipate revenue generation from this business segment in mid 2015. We have opened up a facility in Florida to assemble our units.”

Ms Mascarenhas was invited to interview on July 9, 2014 on the subject of Questor’s solutions on Business News Network (BNN). Here is a link to view the interview: <http://www.bnn.ca/Video/player.aspx?vid=395152>.

Ms Mascarenhas presented to the Oilmen’s Forum in Banff, Alberta on August 20, 2014 as part of a panel addressing the topic of Innovation, Economy and Environment which resulted in some key contacts in new markets for the Company’s incinerators and waste heat to power generators.

She presented at joint workshops to address gas flaring, stranded gas and emissions reduction by utilizing novel technologies to monetize gas at the wellhead in Houston, Denver and West Virginia, managed by the Petroleum Technology Transfer Council (PTTC) and the Environmentally Friendly Drilling (EFD) program, managed by the Houston Advanced Research Center (HARC).

Ms. Mascarenhas recently presented at an SPE webinar/luncheon in Houston for the Gulf coast HSSE group on the EPA Subpart Quad O - Opportunities, Technologies and Solutions for Vent Gas Management in Upstream Oil and Gas Operations on October 23rd, 2014.

She also participated at in French Community Business Program - Sunday, November 2, 2014 in Banff during the French President’s visit to Alberta.

Questor’s unaudited condensed consolidated financial statements and notes thereto and management’s discussion and analysis for the three and six months ended September 30, 2014 will be available shortly on the Company’s website at www.questortech.com and through SEDAR at www.sedar.com.

ABOUT QUESTOR TECHNOLOGY INC.

Questor is an international environmental oilfield services provider founded in late 1994 and headquartered in Calgary, Alberta, Canada with a field office located in Grande Prairie, Alberta. The Company is focused on clean air technologies with activities in Canada, the United States, Europe and Asia. Questor designs and manufactures high combustion efficiency waste gas incinerators for sale or for use on a rental basis and also provides combustion-related oilfield services. The Company’s proprietary incinerator technology destroys noxious or toxic hydrocarbon gases which enables regulatory compliance, environmental protection, public confidence and reduced operating costs for customers. Questor is recognized for its particular expertise in the combustion of sour gas (H₂S). The technology creates an opportunity to utilize the heat generated from efficient combustion which can be

been used for water vaporization, process heat and power generation, through ClearPower Solutions (a subsidiary of Questor). While Questor's current customer base operates primarily in the crude oil and natural gas industry, the Company's combustion technology is applicable to other industries such as landfills, water and sewage treatment, tire recycling and agriculture.

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

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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.

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QUESTOR TECHNOLOGY INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Stated in Canadian dollars
Unaudited

As at	September 30 2014	December 31 2013
ASSETS		
Current assets		
Cash and cash equivalents	\$ 5,515,185	\$ 7,323,303
Trade and other receivables	4,889,644	2,863,257
Inventories	2,131,253	2,359,276
Prepaid expenses and deposits	253,599	124,163
Current tax assets	-	77,849
Total current assets	12,789,681	12,747,848
Non-current assets		
Property and equipment	3,184,960	1,256,066
Intangible assets	676,075	25,915
Goodwill	687,398	-
Total non-current assets	4,548,433	1,281,981
Total assets	\$ 17,338,114	\$ 14,029,829
LIABILITIES AND EQUITY		
Current liabilities		
Trade payables, accrued liabilities, provisions	\$ 1,498,509	\$ 1,746,259
Deferred revenue and deposits	-	252,356
Current portion of lease inducement	52,002	52,002
Current tax liabilities	1,025,298	638,527
Total current liabilities	2,575,809	2,689,144
Non-current liabilities		
Deferred tax liabilities	91,068	53,793
Lease inducement	82,336	121,337
Total non-current liabilities	173,404	175,130
Total liabilities	2,749,213	2,864,274
Capital and reserves		
Issued capital	5,925,105	5,636,119
Reserves	781,415	703,156
Retained earnings	7,890,209	4,826,280
Cumulative translation adjustment	(7,828)	-
Total equity	14,588,901	11,165,555
Total liabilities and equity	\$ 17,338,114	\$ 14,029,829

QUESTOR TECHNOLOGY INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Stated in Canadian dollars
Unaudited

	For the three months ended September 30		For the nine months ended September 30	
	2014	2013	2014	2013
Revenue	\$ 3,127,213	\$ 2,989,767	\$ 10,845,301	\$ 6,973,090
Cost of sales	(1,508,350)	(1,653,158)	(5,238,745)	(3,568,600)
Gross profit	1,618,863	1,336,609	5,606,556	3,404,490
Administration expenses	(629,418)	(349,741)	(1,722,298)	(1,200,948)
Net foreign exchange (losses)/gains	259,127	(16,167)	368,234	76,267
Depreciation of property and equipment	(14,052)	(10,459)	(39,989)	(30,998)
Amortization of intangible assets	(905)	(305)	(2,542)	(914)
Loss on disposal of property and equipment	-	-	-	(347)
Other income	23,054	898	36,932	7,870
Profit before tax	1,256,669	960,835	4,246,893	2,255,420
Income tax expense				
Current	(347,312)	(164,458)	(1,145,688)	(418,691)
Deferred	(41,501)	21,463	(37,276)	32,372
Profit for the period	\$ 867,856	\$ 817,840	\$ 3,063,929	\$ 1,869,101
Other comprehensive income, net of income tax				
Exchange differences on translating foreign operations	(14,413)	-	(7,828)	-
Total comprehensive income	\$ 853,443	\$ 817,840	\$ 3,056,101	\$ 1,869,101

Earnings per share - Profit for the period

Basic	\$ 0.034	\$ 0.033	\$ 0.121	\$ 0.075
Diluted	\$ 0.033	\$ 0.032	\$ 0.117	\$ 0.073

QUESTOR TECHNOLOGY INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Stated in Canadian dollars
Unaudited

	Issued Capital	Reserves	Retained Earnings	Cumulative Translation Adjustment	Total Equity
Balance at January 1, 2014	\$ 5,636,119	\$ 703,156	\$ 4,826,280	\$ -	\$ 11,165,555
Profit for the period	-	-	3,063,929	-	3,063,929
Recognition of share-based payments	-	191,145	-	-	191,145
Issue of ordinary shares under employee share option plan	288,986	(112,886)	-	-	176,100
Translation of foreign operations	-	-	-	(7,828)	(7,828)
Balance at September 30, 2014	\$ 5,925,105	\$ 781,415	\$ 7,890,209	\$ (7,828)	\$ 14,588,901

	Issued Capital	Reserves	Retained Earnings	Cumulative Translation Adjustment	Total Equity
Balance at January 1, 2013	\$ 5,521,001	\$ 676,834	\$ 2,282,231	\$ -	\$ 8,480,066
Profit for the period	-	-	1,869,101	-	1,869,101
Recognition of share-based payments	-	54,993	-	-	54,993
Issue of ordinary shares under employee share option plan	75,841	(31,091)	-	-	44,750
Balance at September 30, 2013	\$ 5,596,842	\$ 700,736	\$ 4,151,332	\$ -	\$ 10,448,910

QUESTOR TECHNOLOGY INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Stated in Canadian dollars
Unaudited

For the nine months ended September 30	2014	2013
Cash flows from operating activities		
Profit for the period	\$ 3,063,929	\$ 1,869,101
Adjustments for:		
Income tax expense	1,182,964	386,319
Loss on disposal of property and equipment	-	347
Depreciation of property and equipment	233,814	233,690
Amortization of intangible assets	2,542	914
Net unrealized foreign exchange losses	328,054	28,604
Expense recognized in respect of equity-settled share-based payments	191,145	54,993
	5,002,448	2,573,968
Movements in non-cash working capital	(4,480,698)	329,058
Cash generated from operations	521,750	2,903,026
Income taxes paid	(816,994)	(26,639)
Net cash (used in) generated from operating activities	(295,244)	2,876,387
Cash flows used in investing activities		
Payments for property and equipment	(181,778)	(120,067)
Proceeds from disposal of property and equipment	-	5,000
Payments for intangible assets	(498,658)	-
Acquisition of a business	(1,000,710)	-
Net cash used in investing activities	(1,681,146)	(115,067)
Cash flows from financing activities		
Proceeds from issue of ordinary shares under employee share option plan	176,100	44,750
Net cash generated from financing activities	176,100	44,750
Net (decrease) increase in cash	(1,800,290)	2,806,070
Cash and cash equivalents at beginning of the period	7,323,303	4,405,624
Effects of translation of foreign operations	(7,828)	(34,609)
Cash and cash equivalents at end of the period	\$ 5,515,185	\$ 7,177,085