



**NEWS RELEASE**  
**QUESTOR TECHNOLOGY INC.**  
**2017 YEAR END REVENUE OF \$19.5MM**  
**175 PERCENT INCREASE - HIGHEST REVENUE IN COMPANY HISTORY**

**Calgary, Alberta (April 2, 2018)** – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) announced today it’s financial and operating results for the year ended December 31, 2017.

**FINANCIAL HIGHLIGHTS SUMMARY**

*(Stated in Canadian dollars except shares outstanding)*

For the years ended December 31	2017	2016	Increase (decrease)
Revenue	<b>19,458,016</b>	7,078,333	12,379,683
Gross profit <sup>(1)</sup>	<b>11,223,032</b>	2,680,775	8,542,257
ADJUSTED EBITDA <sup>(1)</sup>	<b>8,239,230</b>	403,973	7,835,257
Profit (loss) for the year	<b>3,849,331</b>	(444,766)	4,294,097
Cost of sales as a percent of revenue <sup>(1)</sup>	<b>42.0%</b>	62.0%	(20%)
Net cash generated from operating activities	<b>4,735,711</b>	2,304,931	2,430,780
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<b>As at December 31</b>			
Total assets	<b>23,538,004</b>	16,346,546	7,191,458
Total equity	<b>18,779,219</b>	14,765,975	4,013,244
Shares outstanding <sup>(2)</sup>			
Basic	<b>26,453,603</b>	26,138,665	314,938
Diluted	<b>26,886,460</b>	26,138,665	747,795
Earnings (loss) per share			
Basic	<b>0.15</b>	(0.02)	0.17
Diluted	<b>0.14</b>	(0.02)	0.17

<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, 2017.*

<sup>(2)</sup> *Weighted average shares outstanding during the year.*

The Company’s revenue for year-end December 31<sup>st</sup>, 2017 increased 175 percent from the prior year. Revenue from incinerators rentals increased 256% from \$3.2 million in 2016 to \$11.4 million in 2017. Incinerator sales increased 97% from \$3.3 million in 2016 to \$6.5 million in 2017. Questor invested \$7.8 million during the year increasing the investment in the rental fleet by 127%. Higher margin rental revenue mix increased from 45% of total revenue in 2016 to 59% in 2017, which resulted in improved overall margins. The Company achieved record levels of rental equipment utilization during the year also contributing to improved profitability.

The Company's Adjusted EBITDA increased \$7.8 million from \$0.4 million to \$8.2 million as a result of reallocation of assets to the United States, investment in rental equipment, improvements in supply chain, higher utilization, new products and focus on cost control.

Questor made significant investment into its rental fleet from existing cash reserves and with cash flows generated during the year. The Company reallocated assets from Canada into the United States and achieved higher utilization of rental equipment. Both the investment and reallocation was result of demand for high performing combustion technology in the United States. Commitment to the rental business model resulted in higher mix of rental revenue streams that carry higher profit margins.

The Company increased sales revenue though the introduction of its proprietary hybrid incinerator to the market. The technology allows clients to purchase a base level of capacity and rent additional capacity to meet the shorter term demands of high initial production. The benefits to the client are lower capital and operating costs, reduced lease footprint and clean enclosed combustion to meet stringent emission regulations in a capital constrained environment.

Questor focused on administrative and operating infrastructure cost control. There were minimal changes to both headcount and infrastructure during the year.

For the three months ended December 31	2017	2016	Increase (decrease)
Revenue	<b>6,812,039</b>	2,482,679	4,329,360
Gross profit <sup>(1)</sup>	<b>4,189,955</b>	1,104,536	3,085,419
ADJUSTED EBITDA <sup>(1)</sup>	<b>3,630,120</b>	580,145	3,049,975
Profit (loss) for the period	<b>1,048,704</b>	244,364	804,340
Cost of sales as a percent of revenue <sup>(1)</sup>	<b>38.0%</b>	56.0%	(18%)
Earnings per share			
Basic	<b>0.04</b>	0.01	0.03
Diluted	<b>0.04</b>	0.01	0.03

The Company's revenue for three months ended December 31<sup>st</sup>, 2017 increased 174 percent from the prior year. Revenue from incinerators rentals increased 400% from \$0.9 million in 2016 to \$4.6 million in 2017. Incinerator service revenue increased from \$0.2 million in 2016 to \$0.7 million in 2017. The increase is result of capital invested expanding the rental fleet and significantly higher rental utilization. Rental utilization during the three months ended December 31, 2017 increased 83% versus the same period of 2016. Utilization improvements were result of the focus in the Colorado market, where the Company started to see the results of the initiative in early 2017.

Questor's wholly owned subsidiary, ClearPower Systems Inc. (CPS), has been aggressively marketing its waste heat to power technology. While the business case for our technology is compelling, other factors such as technology adoption, regulative support, and the economy continue to slow the clean energy transition. The Company views that these factors have slowed the commercialization of CPS. As a result of the delayed commercialization results, the Company recorded an impairment charge in the three months ended December 31<sup>st</sup>, 2017. The impairment charge reduced earnings per share by \$0.04. The impairment is not a reflection of the Company's confidence in the diversification initiative as we will continue to focus on the clean energy transition offering our waste heat to power technology to key markets.

## PRESIDENT'S MESSAGE

The Questor team in partnership with our clients in Colorado has delivered strong results for 2017. Our revenue has grown by 175% from 2016 to \$19.5MM, the highest yearly revenue in the company's history, reflecting how our technology solution has been embraced in Colorado to meet Regulation 7, which mandates enclosed combustion for oilfield operations to deal effectively with emissions.

2017 was a pivotal year for Questor and the financial results validate our strategy to move the rental fleet from Canada invest and grow that rental fleet and introduce and implement our innovative hybrid incineration technology. We have optimized our supply chain and improved process efficiency, price and delivery. Our solid equipment performance, ease of setup and user friendliness has given us a reputation for best in class.

Questor is proud to be recognized and selected for its cost effective solutions and will continue its pursuit of earning the confidence and business of existing clients as well as new customers. With our strong balance sheet, we will continue to commit capital to grow our presence in regions where producers are looking for high performing, cost-effective technologies to manage their waste gases and fugitive emissions. Other States in the US are in the process of implementing similar rules to those in Colorado to deal with emissions.

As the world transitions to a lower carbon economy, destroying methane cleanly is one of the most effective ways of meeting the greenhouse gas (GHG) emission reduction goals and the methane reduction goals. Methane is 25 times more impactful than carbon dioxide (CO<sub>2</sub>) from a global warming perspective, over a hundred year period. By utilizing Questor's patented clean combustion technology our clients' eliminate their methane emissions and reduce the GHG emission impact nine-fold. In Colorado, Questor is demonstrating that our technology cost effectively deals with methane emissions and other hazardous air pollutants.

Ten global exploration and production (E&P) companies recently made a commitment to reduce their methane emissions from their natural gas operations and have pledged \$1 billion for gas technologies to fight climate change referred to as the oil and gas climate initiative (OGCI). The OGCI companies are CNPC, Total, Statoil, BP, Pemex, Shell, Petrobras, Repsol, Saudi Aramco, and Eni. These companies are not waiting for regulation but have chosen to implement methane reductions as a strategic corporate initiative.

We are pursuing opportunities in jurisdictions where regulations mandate not just clean combustion but the beneficial use of the gas. Our diverse technologies; power and water treatment from waste heat, are key components to meeting that mandate and important to our strategy for diversification and differentiation.

In 2017 we laid a strong foundation for continued growth in 2018. We demonstrated significant growth with our existing resources and expertise, strengthen the bottom line. We are confident in our ability to innovate, execute and continue to grow with our core team. We are investing capital in a new service line of specifically designed equipment for well abandonments. Operators in Colorado are required to abandon wells before new wells can be drilled. Questor is fully engaged in providing solutions for the complete life cycle. We have established a strong supply chain and vendor network to scale up in a timely way that has been tested and can respond and grow with us. The young age of our rental fleet provides the platform for sustainable revenue generation. Our strong balance sheet will allow us to take advantage of the opportunities we see in the pipeline for Questor in 2018.

Questor's audited consolidated financial statements and notes thereto and Management's Discussion and Analysis for the three months ended December 31, 2017 and Year end 2017 is available 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 Technology Inc. ("Questor" or the "Company") is incorporated in Canada under the Business Companies Act (Alberta). Questor is a public, international environmental Cleantech company founded in 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 improves 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. The Company's 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.

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

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