



NEWS RELEASE
QUESTOR TECHNOLOGY INC.
ANNOUNCES THIRD QUARTER 2018 RESULTS

Calgary, Alberta (November 14, 2018) – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) is pleased to announce its financial and operating results for the third quarter of 2018.

HIGHLIGHTS

(Stated in Canadian dollars except per share and unit data)

	Three Months Ended September 30		Nine Months Ended September 30	
	2018	2017	2018	2017
	(\$)	(\$)	(\$)	(\$)
Revenue	5,761,465	5,686,227	17,491,620	12,645,976
Gross profit ⁽¹⁾	3,880,343	3,208,582	11,005,699	7,033,076
Adjusted EBITDA ⁽¹⁾	3,205,194	2,247,918	9,743,149	4,694,400
Earnings	1,746,243	1,425,433	5,624,183	2,800,626
Earnings per share				
Basic	0.07	0.06	0.21	0.11
Diluted	0.07	0.05	0.21	0.11
As at	September 30, 2018		December 31, 2017	
Working Capital (end of period)	11,050,804		6,854,250	
Total assets (end of period)	27,347,447		23,538,004	
Total equity (end of period)	24,726,729		18,779,219	

⁽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 nine months ended September 30, 2018.*

Three Months Ended September 30, 2018

Revenue in the third quarter of 2018 was consistent to the same period in 2017. The Company's rental revenue increased to \$4.3 million from \$3.2 million. The Company's service revenue increased to \$0.7 million from \$0.3 million. The increases in rental and service revenue were offset by a \$1.4 million decrease in sales revenue.

Demand for Questor's equipment in Colorado during the quarter was somewhat impacted by uncertainty and regulatory overhang associated with Proposition 112. Operators prioritized drilling over completions and flow-back programs during the quarter resulting in slightly lower demand for flow-back units. The Company estimates the impact was less than 5%. Due to the uncertainty of Proposition 112 (Prop 112) and potential impact to equipment requirements, the Company also decided to curtail capital expenditures during the quarter.

Gross profit increased 21% versus the third quarter of 2017 as result of higher margin rental revenue offsetting lower margin sales revenue. Adjusted EBITDA increased \$1.0 million as a result of increased gross profit and continued cost control of administrative expenses.

Nine Months Ended September 30, 2018

Revenue for the nine months ended September 30, 2018 was \$17.5 million, an increase of 38 percent from the same period in 2017. The Company's rental revenue increased to \$12.0 million from \$6.8 million due to higher investment in the United States. The Company has invested \$6.0 million in rental unit expansion since September 30, 2017 resulting in over 60% more rental units compared to the third quarter in 2017.

Gross profit increased by 56 percent as a result of higher rental revenue and service revenue. Gross margin as a percentage of revenue increased from 56% to 63%. The improvement is result of revenue mix. Rental revenue mix increased from 54% in 2017 to 69% in 2018, rental revenues carry lower cost of sales which resulted in improved overall margins and gross profit.

Adjusted EBITDA and earnings increased \$5.0 million and \$2.8 million respectively due to the investment in the rental fleet and continued cost control of operational and administrative expenses.

The Company invested \$4.0 million into the rental fleet in the nine months ended September 30, 2018. The new rental equipment has been mobilized to the United States.

CEO MESSAGE

Audrey Mascarenhas, Questor's President and Chief Executive Officer commented "I am pleased to report that the Questor team has delivered strong results in the third quarter. Revenue, earnings and cash-flows have tracked consistently with the first half of the year. We are on pace for 2018 to be another record revenue and earnings year.

The quarter started with reports from Colorado that a group was organizing an initiative that could bar oil and gas extraction on more than 80% of non-federal land in Colorado. Initiative 97 was aimed to increase distances wells have to be from occupied building and water sources by 1,500 to 2,500 feet. There was considerable opposition to the initiative as the oil and gas industry is an increasingly important part of the State's economy. Over the past decade, Colorado's oil production has surged 365%. The initiative was estimated to cost the state 150,000 jobs and cut GDP by \$218 billion. Backers of the measure needed to submit 98,000 valid signatures by August 6th for the measure to make the ballot to be voted on by the residents of Colorado. Organizers of the campaign gathered the required signatures to place an initiative on the ballot. The signatures were confirmed late August and as result Initiative 97 appeared on the ballot as Proposition 112 to be voted on November 6th. The residents of the State voted on November 6th, the result was 57% of the votes cast in favor of trouncing Prop 112. Colorado oil and gas companies landed a significant victory election night as voters rejected sweeping restrictions for the industry. The victory supports continued high activity levels in the basin and sustained strong demand for our equipment.

Colorado has long been considered a leader with Regulation 7 which mandates the use of enclosed combustion and now targets methane, resulting in a statewide focus on the responsible management of potentially fugitive hydrocarbons. Regulation 7 has been a significant driver for Questors emissions solutions. The Company remains confident that Colorado will continue to be a strong market for our technology and solutions going forward.

Subsequent to the quarter, we have mobilized 10% of the rental fleet to North Dakota and have commenced operations in the State. North Dakota (ND) is enforcing US EPA regulations that reward the use of high efficiency VOC emissions control and we are now seeing an increased demand well into 2019 in ND. Prior to the Prop 112 vote we felt it was prudent to evaluate our capital needs and briefly paused investment. With Prop 112 being rejected in Colorado and the significant demand in ND, this week, we recommenced the capital program and are currently building additional rental units that will be mobilized to both the Colorado and North Dakota markets. It is expected that we will continue to grow the rental fleet as well as establish an Operations hub in ND as demand continues to grow.

Rental units are also scheduled to be mobilized to Texas in the fourth quarter of this year. Questor will continue to commit capital to grow a presence in regions where producers are looking for high performing, cost-effective technologies to manage their waste gas and fugitive emissions. The Permian Basin continues to be active while facing flaring restrictions in an area lacking sufficient infrastructure to handle the associated gas produced with the oil. This lack of pipeline take away capacity in the basin is creating interest in our rental equipment to deal with the gas. The opportunity for our technology solutions continues to grow and the team at Questor is well positioned to continue to deliver meaningful cost effective innovative solutions to meet our clients' needs to deal with emissions."

Questor's consolidated financial statements and notes thereto and Management's Discussion and Analysis for the three and nine months ended September 30, 2018 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 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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