



QUESTOR ANNOUNCES 2020 YEAR END RESULTS

Calgary, Alberta (March 31, 2021) – Questor Technology Inc. (“Questor” or the “Company”) (TSX-V: QST) announced today its financial and operating results for the year ended December 31, 2020.

2020 FINANCIAL RESULTS

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

For the years ended December 31, <i>(stated in CDN\$)</i>	2020 <i>(\$)</i>	2019 <i>(\$)</i>	Change <i>(%)</i>
Revenue	9,210,718	30,194,235	(69)
Gross Profit	1,805,410	16,262,157	(89)
Profit (Loss) for the year	(1,829,876)	7,428,590	>(100)
Per share — basic	(0.07)	0.28	>(100)
Per share — diluted	(0.07)	0.27	>(100)
As at December 31,			
Working capital	19,300,453	17,425,861	11
Total assets	38,014,911	42,110,012	(9)
Total equity	33,989,100	35,333,667	(4)
Weighted average shares outstanding during the year	27,371,647	27,048,432	1

Questor’s Audited Consolidated Financial Statements and Management’s Discussion and Analysis for the year ended December 31, 2020 are available on the Company’s website at www.questortech.com and through SEDAR at www.sedar.com.

PRESIDENT'S MESSAGE

Questor's 2020 financial results were dramatically impacted by the significant slowdown in global economic activity as a result of the pandemic, further impacted by the price war between OPEC and other oil and gas producing nations early in the year. Our revenue for the year decreased to \$9.2 million from \$30.2 million in 2019. Notwithstanding the 2020 financial performance, Questor maintains a strong financial position accomplished through managing costs and maintaining capital discipline. We have continued to live within our cash flow in 2020, finishing the year with a cash balance of \$16.3 million which was a \$2.8 million increase from December 31, 2019. Our focus has not changed and remains consistent despite this downturn. We will continue to provide exceptional service to our customers by providing best in class equipment and clean green solutions while efficiently managing our costs. Commodity prices had begun to recover in the fourth quarter of 2020 as the global economy started to recuperate. The recovery in commodity prices, combined with significant overall industry cost reductions has led to improved cash flows for some of our customers and we are confident this will lead us to improved results in 2021.

The opportunity for Questor in 2021 is the global focus on environmental, social and governance ("ESG") mandates. ESG and climate change are dominant themes and governments across the globe have responded by introducing more climate focused regulations particularly in regard to methane. The Biden administration has a strong mandate to secure environmental justice and equitable economic opportunity for all. Many companies have made commitments to net zero by the end of the decade and investors with trillions of dollars under management, have signaled their intent to invest in companies focused on reducing emissions and actively participating in the energy system transition. Questor's clean combustion and waste heat to power technology solutions are integral components to our client's successful achievement of their net zero goals.

Leveraging our strong financial position, we are expanding our sales and engineering teams to solidify our foundation so that we are ready to serve a rapidly growing global market focused on eliminating methane emissions and improving energy efficiency. Both of these initiatives are seen as the easiest path to greenhouse gas emission reductions. We completed an internal diagnostic assessment of the sales and marketing function in the fourth quarter of 2020 and identified opportunities to enhance the Company's ability to target regions with the highest level of activity, improve the Company's inbound customer journey, and strengthen our outbound presence. We have implemented a new gated sales process that evaluates highest potential opportunities prior to engaging, using sales automation. The process redesign combined with enhancements that have been implemented through technology and automation set the stage for the next step of the initiative. During the first half of 2021, we will recruit additional sales and marketing resources to support proactive, strategic, rapid penetration of existing basins and new markets for both our combustion and heat to power generation technologies.

In 2020, we continued to build our digital capability by developing an emissions platform that will eventually enable us to credibly quantify emission reductions for our clients and guarantee a zero emissions site, with the end goal of monetizing the emission reduction offsets and certifying the molecule produced is low carbon through the entire value chain. Our 2021 and 2022 strategic priorities are continuing to grow our clean combustion business to eliminate methane emissions, data as a service, customer diversification, industry expansion and the growth of our waste heat to power product offering.

The previously disclosed delivery of our Q-Power equipment in the southern United States ("US") is an example of product and market diversification. When fully installed this project will be supplying our ClearPower technology to generate 200 kW of clean emission free power at our client's glass recycling plant. In the US, the conversion of waste heat to power is seen as green, clean energy with tax and pricing incentives that have made these projects very economically attractive.

There is growing global recognition that eliminating methane emissions is one of the most effective ways to arrest the temperature rise related to Climate Change as methane is 86 times worse than carbon dioxide ("CO₂") from a global warming perspective over a 25 year timeframe. Additionally, methane emissions from industry, particularly the oil and gas industry, have been significantly underestimated. In 2020, the Canadian Federal Government established a \$750 million fund to support the deployment of methane abatement technologies. The Alberta Provincial government has earmarked an additional \$750 million to invest in projects to reduce greenhouse gas ("GHG") emissions. Specifics on the deployment of these funds are evolving and we are taking a proactive role and are currently working with our clients, targeting methane reduction projects to access the funding. The US and the European Union ("EU") have also taken a proactive approach through regulation and funding for technology adoption.

"2020 brought with it many challenges that we are turning into opportunities. We weathered the storm well by focusing on what we could control. We concentrated our efforts internally and improved processes, added bench strength and improved our financial liquidity. We believe our technology, people, assets and operational experience will continue to strengthen Questor even through these difficult times." said Ms. Mascarenhas, Questor's President and CEO.

2020 OVERVIEW

- During 2020, the global pandemic had a major impact on businesses across various sectors. The energy industry was further impacted by the oil supply war between the Organization of the Petroleum Exporting Countries ("OPEC"). The negative economic events affected the Company's 2020 financial results which substantially represents the primary driver for the activity decreases and performance decline compared to the prior year.
- The Company continued to be in a strong financial position at December 31, 2020:
 - Cash increased to \$16.3 million from \$13.5 million at December 31, 2019;
 - The Company has an undrawn \$1.0 million revolving demand loan facility and an undrawn \$5.0 million capital loan facility;
 - The Company entered into a repayable government assistance agreement with Western Economic Diversification Canada which provided \$1 million to help fund its operating costs. Repayment commences in 2023;
 - Cash reserves provide the working capital to thrive during tough market cycles;
 - A strong balance sheet will serve as a foundation to launch into new products and markets once the economy rebounds;
 - Capital expansion plans are deferred until there is a sustained economic recovery. This strategy preserves our liquidity while improving capital efficiency; and,
 - Increased focus on operating efficiencies to manage cash flow by working with our service providers to further reduce costs.
- Revenue decreased \$21.0 million for the year ended December 31, 2020 versus the same period in 2019:
 - Incinerator equipment sales decreased from \$11.8 million in 2019 to \$4.1 million in 2020;
 - Revenue from incinerator rentals decreased from \$15.7 million in 2019 to \$4.1 million in 2020;
 - Incinerator service revenue decreased from \$2.6 million in 2019 to \$1.0 million in 2020;
- Gross profit of \$1.8 million in 2020 compared to a gross profit of \$16.3 million in 2019:
 - The Company continued its mitigation strategy, revolving around;
 - Managing operations infrastructure ensuring indirect operational resources are consistent with activity; and,
 - Commitment to supply chain management focused on procuring quality materials at competitive prices.
- Administrative expenses during the year ended December 31, 2020 decreased \$1.2 million compared to 2019. The decrease is attributable to lower headcount versus the prior year, reduced work schedules, compensation reductions and travel reductions and funding (\$0.5 million) from the Canadian Emergency Wage Subsidy ("CEWS").

FOURTH QUARTER 2020 OVERVIEW

For the years ended December 31,	2020	2019	Change
<i>(stated in CDN\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(%)</i>
Revenue	2,623,673	6,816,530	(62)
Gross profit	297,542	3,242,431	(91)
Profit (loss) for the period	(885,949)	1,062,384	>(100)
Gross profit (%)	11	48	(77)
Earnings (loss) per share			
Basic	(0.03)	0.04	>(100)
Diluted	(0.03)	0.04	>(100)

Revenue for the three months ended December 31, 2020 was \$2.6 million versus \$6.8 million in 2019. Equipment sales for the three months ended December 31, 2020 was \$1.6 million versus \$3.8 million in 2019, a decrease of \$2.2 million. Revenue received from incinerator rentals for the three months ended December 31, 2020 was \$0.7 million versus \$2.5 million in 2019, a decrease of \$1.8 million. Incinerator service revenue for the three months ended December 31, 2020 was \$0.3 million versus \$0.5 million in 2019, a decrease of \$0.2 million.

Gross Profit for the three months ended December 31, 2020 was \$0.3 million versus \$3.2 million for the three months ended December 31, 2019.

Earnings decreased \$1.9 million for the three months ending December 31, 2020 versus 2019.

OUTLOOK

During the first three months of 2021, economies around the world have started to open up and we are seeing improved commodity prices; however, the economic malaise brought on by COVID-19 nationally and globally has had, and will likely continue to have, a material adverse effect on our business, operations and financial results.

Higher commodity prices which began in the fourth quarter of 2020 have continued into 2021. Currently the price for a barrel of West Texas Intermediate ("WTI") is over US \$60 suggesting that North American energy producers have significantly improved economics. The recovery in commodity prices, combined with significant overall industry cost reductions has led to improved cash flows for some of our customers. The Company expects 2021 activity will be modestly higher than 2020.

ESG is a set of standards for how companies operate regarding the planet and its people. ESG is becoming a critical criterion for socially conscious investors to screen potential investments. Environmental principles examine how a company performs as a steward of the planet. Numerous institutions, such as the Sustainability Accounting Standards Board ("SASB"), the Global Reporting Initiative ("GRI"), and the Task Force on Climate-related Financial Disclosures ("TCFD") are working to form standards and define materiality to facilitate inclusion of these factors into the investment process. The Company's products are focused on providing solutions to existing and potential clients to allow them to address their stewardship by reducing emissions with a specific target of methane, improve air quality, reduce waste and improve energy efficiency. The ESG movement is putting pressure on companies and also driving availability of capital and funding. ESG is an integral part of the Company's business strategies.

The Company feels that a strong balance sheet is imperative for success. Having a strong balance sheet not only protects the Company in economic turmoil but enables growth when market confidence improves. The Company currently has substantial cash reserves, a large company owned rental fleet, and no debt except for a repayable government grant due commencing in 2023.

ABOUT QUESTOR TECHNOLOGY INC.

Headquartered in Calgary, Alberta, with operations across North America, the Company provides three specialized clean technology solutions to its customers. The product line is Q-Series, which consists of incineration optimized based upon waste gas composition and flow rate to achieve a combustion efficiency of greater than 99.99 percent. The second product line is Q-Power, which is our power generation solution designed to efficiently transform otherwise wasted high and low temperature heat into valuable electricity power. The third solution is Q-Insights, which is the first highly affordable, cloud-based product to provide continuous and real-time emissions data monitoring and analysis. All of these solutions enable our clients to meet emission regulations, address community concerns and improve safety at industrial sites.

There are several methods for handling waste gases at industrial facilities, the most common being combustion. Flaring and incineration are two methods of combustion accepted by many provincial and state regulators. Historically, the most common type of combustion has been flaring which is the igniting of natural gas at the end of a long metal tube or flare stack. This action causes the characteristic flame associated with flaring.

Q-Series collects waste gas through its patented natural flow design. This design has no fans, blowers, or moving parts and is capable of accepting multiple gas streams to ensure lower maintenance and higher efficiency. Incineration is the mixing and combusting of waste gas streams, air, and fuel in an enclosed chamber which are mixed at a controlled rate and ignited so that no flame is visible when operating properly. A correctly designed and operated incinerator can yield higher combustion efficiencies through proper mixing, gas composition, retention time, and combustion temperature. Combustion efficiency, generally expressed as a percentage, is represented by the amount of methane converted to CO₂, or H₂S converted to SO₂. The more converted, the better the efficiency. The incinerators vary in size, ranging from 20 mcf/d to 5,000 mcf/d, to accommodate small to large amounts of gas handling. The incinerators also vary in automation and instrumentation depending on the client's requirements.

The Company has three primary incinerator related revenue streams: sales, rentals and services. Incinerator services include hauling, commissioning, repairs, maintenance and decommissioning. The Company's current key incineration markets are Colorado, North Dakota, Mexico, Pennsylvania, Texas, Alberta and North East BC. Over 90 percent of the Company's incinerator rental fleet is in Colorado and North Dakota where regulation supports demand for its proprietary high efficiency waste gas incineration systems.

Q-Power is based on Organic Rankine Cycle ("ORC") technology utilize an axial turbine expander coupled to a synchronous generator via a gearbox and have an evaporator, condenser, economizer-heat exchanger, centrifugal refrigerant pump, and Programmable Logic Controller ("PLC"). The Q-Power organization is supported from our Brooksville, Florida field location. The Company is focusing on gaining market share, educating our customers around our solutions for combating emissions, diversifying our business to lessen our dependence on oil and gas and expanding our Q-Power systems offerings. The Company's Q-Power products have been installed at petroleum and manufacturing client sites; however, the solutions can be used in many other industries to process all types of waste gas including agriculture, rail car loading, mining, water treatment, landfill biogas, syngas, waste engine exhaust, geothermal and solar, cement plant waste heat and more.

Q-Insights via our product line called Gas Emissions Methane Monitoring and Analysis ("GEMMA"), provides monitoring and emissions tracking continuously and in real-time for distributed waste gas systems of various types. This helps small and mid-sized waste gas producers more effectively monetize pollution reduction activities through carbon offsets and trading, as well as reducing equipment issues and maintenance costs. The Company is focused on completing the development during 2021.

The Company services its customers from field locations in Brighton and Fort Lupton, Colorado; Watford City, North Dakota, Grande Prairie, Alberta, and Brooksville, Florida. The infrastructure at the field locations consists of field and maintenance technicians and technical sales staff. The facilities generally include, office space, maintenance shop and storage yard. Personnel based out of Company's head office in Calgary, Alberta include Officers of the Corporation, management, engineering, technical sales, accounting and administration.

QUESTOR TRADES ON THE TSX VENTURE EXCHANGE UNDER THE SYMBOL 'QST'.

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