MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management Discussion and Analysis ("MD&A") is dated August 26, 2022 and is a review of Questor Technology Inc. ("Questor" or the Company") financial condition and results of operations prepared in accordance with International Financial Reporting Standards ("IFRS"). The focus of this MD&A is a comparison of the financial performance of the Company for the three and six months ended June 30, 2022 and 2022. This MD&A should be read in conjunction with the condensed consolidated financial statements for the three and six months ended June 30, 2022 as well as the audited consolidated financial statements of Questor as at and for the year ended December 31, 2021. This MD&A contains forward-looking information or statements. Readers should review the legal advisory related to this under the *Forward-Looking Statements* section of this MD&A.

QUESTOR'S BUSINESS OVERVIEW

Questor Technology Inc., incorporated in Canada under the Business Companies Act (Alberta) is an environmental emissions reduction technology company founded in 1994, with global operations. The Company is focused on clean air technologies that safely and cost effectively improve air quality, support energy efficiency and greenhouse gas emission reductions. The Company designs, manufactures and services high efficiency clean combustion systems that destroy harmful pollutants, including Methane, Hydrogen Sulfide gas, Volatile Organic Hydrocarbons, Hazardous Air Pollutants and BTEX (Benzene, Toluene, Ethylbenzene and Xylene) gases within waste gas streams at 99.99 percent efficiency. This enables its clients to meet emission regulations, reduce greenhouse gas emissions, address community concerns and improve safety at industrial sites. The Company also has proprietary heat to power generation technology and is currently targeting new markets including landfill biogas, syngas, waste engine exhaust, geothermal and solar, cement plant waste heat in addition to a wide variety of oil and gas projects. The Company is also doing research and development on data solutions to deliver an integrated system that amalgamates all of the emission detection data available and demonstrates how Questor's clean combustion and power generation technologies can be used to help clients achieve zero emission targets.

The Company's common shares are traded on the TSX Venture Exchange under the symbol "QST". The address of the Company's corporate and registered office is 2240, 140 –4 Avenue S.W. Calgary, Alberta, Canada, T2P 3N3.

CONSOLIDATED FINANCIAL RESULTS

For the	Three months ended June 30,		Six months ended June 30,	
	2022	2021	**2022**	2021
(Stated in CDN $)				
Revenue	**2,454,229**	1,184,040	**5,041,936**	2,732,431
Gross profit (loss)	**431,796**	(127,077)	**1,062,705**	(91,252)
Loss for the period	**(457,911)**	(873,214)	**(823,530)**	(1,759,101)
Loss per share – basic and diluted	**$(0.02)**	$(0.03)	**$(0.03)**	$(0.06)

As at	**June 30, 2022**	December 31, 2021
(Stated in CDN $)		
Working capital[1]	**16,202,007**	16,274,715
Total assets	**33,334,485**	35,047,855
Total equity	**29,906,084**	30,482,081

[1] Working capital is defined as total current assets less total current liabilities.

The Company's financial performance in the three and six months ended June 30, 2022 has improved significantly compared to 2021. Revenue is $2.5 million for the three months ended June 30, 2022 and $5.0 million for the six months ended June 30, 2022, an increase of 107 percent and 85 percent compared to the three and six months ended June 30, 2021 due to an increase in equipment sales and rentals. During the second quarter of 2022, requests for proposals from customers remained strong and the Company closed a further $0.6 million of equipment sales.

Gross profit increased $0.6 million for the three months ended June 30, 2022 and increased $1.2 million for the six months ended June 30, 2022, compared to the same periods in 2021. This increase in gross profit is due to improved sales and margins. This improvement was partially offset by $0.5 million additional costs being incurred for the waste heat to power project in Mexico during the quarter.

The overall loss for the three and six months ended June 30, 2022 was $0.5 and $0.8 million, an improvement of 48 and 53 percent compared to the same period of 2021. The overall loss has reduced significantly period over period even though an additional $0.5 million was incurred during the quarter on the waste heat to power project in Mexico, as result of strong margins on equipment sales and rentals, and a continued focus on controlling operating and administration expenses.

The Company continues to have a strong financial position at June 30, 2022 including cash and cash equivalents of $14.6 million and working capital of $16.2 million. As a result of this strong financial position, the Company cancelled its undrawn $1.0 million revolving demand loan facility and its $5.0 million capital loan facilities.

SECOND QUARTER 2022 HIGHLIGHTS

During the second quarter, the Company has made significant progress towards completing the commissioning of three waste heat to power facilities in Mexico which included running two of the sites at the maximum output the available gas supply would allow. There were some equipment issues encountered by Questor's partners at the third site. Questor is working with its partners to get the replacement parts ordered and has a detailed plan to redeploy and complete the start up at the three sites, as soon as the additional equipment has been received on site. In order to complete the project, the Company has taken on additional scope to move the project forward and prove the technology. As a result Questor has expensed a further $0.5 million of costs during the three months ended June 30, 2022 and continues to work with its customer to discuss potential future compensation to recover some of these additional costs.

During the first half of 2022, the Company has continued to progress its strategic research and development activities as follows:

- The Company has completed the procurement of long lead time materials required to build the 1500kw prototype for its waste heat to power project and received the first pre-milestone payment of $0.8 million from Sustainable Development Technology Canada ("SDTC").
- The Company completed the first phase of its integrated emissions data measurement and reporting platform project being worked on in partnership with the Southern Alberta Institute of Technology ("SAIT") which was largely funded by Alberta Innovates and Western Economic Development. The Company and SAIT are scoping and planning for the next phase of the project which will be partially funded by Western Economic Development. Subsequent to the period end, the Company received $100,000 of funding from this partnership which will offset certain research and development costs already incurred.
- The Company continues its collaboration with North-East Gas Association ("NYSEARCH") and Stanford University to develop alternative approaches to cleanly combust waste gas.
- The Company has decided not to proceed with the project with the University of Michigan and Southwestern Research Institute at this time.

MARKET OUTLOOK

Jurisdictions around the world are enacting regulations and incentives to target methane emissions and as a result Questor has seen increased interest in our ISO 14034 certified clean combustion technology solutions that guarantee 99.99% elimination of methane. Requests for proposals have increased significantly from both international and domestic companies, who are exploring opportunities to use Questor's integrated solutions to reduce greenhouse gas emissions, eliminate flaring and venting to meet the new regulations focused on methane.

Cutting the amount of methane released into the atmosphere is one of the easiest and most effective ways to fight climate change, according to a U.N. report released last year. Canada recently introduced methane regulations for the upstream oil and gas sector and is contemplating an emissions cap for the industry. The Inflation Reduction Act (IRA; H.R. 5376) recently passed is the most significant investment the U.S. government has made in fighting climate change, putting more than $369 billion toward projects that will reduce planet-warming emissions. IRA would include supplemental appropriations of $850 million to the Environmental Protection Agency to provide grants to facilities subject to the methane charge for a range of objectives, including "improving and deploying industrial equipment and processes" that reduce methane emissions. The act also includes supplemental appropriations of $700 million for "marginal conventional wells" for the same purposes. These funds could support technology adoption at smaller oil and natural gas facilities or sites where the volumes are insufficient to justify infrastructure capital but significant enough to require technology like Questor's to ensure that methane and other hazardous pollutants are destroyed at a guaranteed high efficiency. To address domestic methane emissions, the IRA will impose a fee of "$900 per metric ton of methane starting in 2024, increasing to $1,500 per metric ton after two years".

The Environmental Protection Agency (EPA) is set to release new regulations early next year that will define the threshold at which an oil or gas facility is subject to the emissions fee on methane. The facilities that would be subject to the charge include the following industry operations: offshore petroleum and natural gas production; onshore petroleum and natural gas production; onshore natural gas processing; onshore natural gas transmission compression; underground natural gas storage; liquefied natural gas storage; liquefied natural gas import and export equipment; onshore petroleum and natural gas gathering and boosting; and onshore natural gas transmission pipelines. These are all facilities that we have a 25-year track record supporting with our technology.

The pressure from the public, government and investors is expected to result in companies focusing their efforts to reduce emissions and achieve their emissions reduction commitments resulting in increased demand for the Company's cost-effective high efficiency clean combustion systems, waste heat to power and data solutions. Questor's rental fleet can decrease non-routine vented gas emissions at a cost of less than ten cents per tonne. Similarly, the Company's clean combustion combined with its waste heat to power solutions, can reduce emissions at a cost of less than $10 per tonne. The Company is well positioned to assist its clients to meet their emissions reductions targets today using its proven cost-effective technology solutions.

SECOND QUARTER FINANCIAL OVERVIEW

For the	Three months ended June 30, **2022**	2021	Six months ended June 30, **2022**	2021
(Stated in CDN $)				
Revenue	**2,454,229**	1,184,040	**5,041,936**	2,732,431
Cost of sales	**2,022,433**	1,311,117	**3,979,231**	2,823,683
Gross profit (loss)	**431,796**	(127,077)	**1,062,705**	(91,252)
Percent of gross profit (loss) to revenue	**18**	(11)	**21**	(3)

REVENUE

Revenue for the three and six months ended June 30, 2022 was $2.5 million and $5.0 million versus $1.2 million and $2.7 million for the same periods in 2021. This was an increase of 107 percent and 85 percent respectively broken down as follows:

Equipment Sales

Equipment sales revenue for the three and six months ended June 30, 2022 was $1.6 million and $3.5 million versus $0.6 million and $1.5 million for the same periods in 2021. This represents an increase of $1.0 million or 151 percent for the three months and an increase of $2.0 million or 125 percent for the six months ended June 30, 2022. The revenue for the quarter relates to a tall stack unit completed and delivered in June, a second tall stack unit being fabricated during the period that will be complete in July and three Q250's that are in progress.

Equipment Rentals

Equipment rentals for the three and six months ended June 30, 2022 were $0.7 million and $1.3 million versus $0.4 million and $0.9 million for the same periods in 2021. This represents an increase of $0.3 million or 71 percent for the three months ended June 30, 2022, and an increase of $0.3 million or 36 percent for the six months ended June 30, 2021, due to increased activity.

Equipment Service

Equipment service for the three and six months ended June 30, 2022 was $0.2 million and $0.3 million versus $0.1 million and $0.3 million for the same periods in 2021. Job volumes are primarily linked to equipment rental and sales activity.

GROSS PROFIT

Gross profit increased $0.6 million for the three months ended June 30, 2022 and increased $1.2 million for the six months ended June 30, 2022, compared to the same period in 2021. The increase in gross profit for 2022 was a result of an increase in equipment sales and related margins compared to 2021 as well as the Company's continued efforts to reduce operating costs. This improvement was partially offset by $0.5 million additional costs being incurred for the Mexico waste heat to power project during the quarter.

CORPORATE COSTS

For the	Three months ended June 30, **2022**	2021	Six months ended June 30, **2021**	2020
(Stated in CDN $)				
Gross profit (loss)	**431,796**	(127,077)	**1,062,705**	(91,252)
Less corporate costs:				
Administration expenses	**945,725**	720,998	**1,603,337**	1,500,182
Research and development expenses	**141,063**	21,839	**290,966**	67,413
Stock based compensation	**118,659**	89,724	**219,246**	219,482
Depreciation expense	**32,644**	33,635	**65,628**	67,524
Amortization of intangible assets	**35,031**	71,783	**70,062**	143,435
Net foreign exchange losses (gains)	**(115,319)**	80,953	**(74,356)**	150,945
Other expenses (income)	**(126,743)**	50,288	**(88,548)**	80,031
Loss before tax	**(599,264)**	(1,196,297)	**(1,023,630)**	(2,320,264)
Income tax recovery	**(141,353)**	(323,083)	**(200,100)**	(561,163)
Loss for the period	**(457,911)**	(873,214)	**(823,530)**	(1,759,101)

Administrative Expenses

Administrative expenses for the three and six months ended June 30, 2022, were $0.9 million and $1.6 million versus $0.7 million and $1.5 million for the same period in 2021. Administrative expenses in the first six months of 2021 were lower than 2022 due to the receipt of $0.5 million of COVID related subsidies compared to $0.1 million in the first six months of 2022.

Stock based compensation

Stock based compensation expense for the three and six months ended June 30, 2022 is consistent with 2021.

Research and development expenses

Research and development expenses have increased $0.1 million for the three months and $0.3 million for the six months ended June 30, 2022 compared to the same periods in 2021 as a result of increased activity on the waste heat to power project and other research and development project costs that do not yet meet the criteria for capitalization.

Depreciation and amortization expenses

Depreciation and amortization expense is consistent year over year as there have been no significant capital additions over the past year.

Foreign Exchange Gains/Losses

The Company recorded foreign exchange gains of $0.1 million for the three and six months ended June 30, 2022 compared to losses in 2021. Foreign exchange gains and losses for the Company fluctuate primarily based on the change in the US dollar relative to the CDN dollar.

Other Expenses (Income)

Other expenses (income) for the three and six months ended June 30, 2022 benefitted by the settlement of $0.1 million of insurance proceeds relating to a damaged rental unit that had been written off in a prior year.

Income Tax

Income tax recovery for the three and six months ended June 30, 2022, was $0.1 million and $0.2 million and relates to management's best estimate of the weighted average annual effective income tax rate expected for the full financial year.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial liability obligations. The Company manages its liquidity risk through cash and debt management, which includes monitoring forecasts of the Company's cash and cash equivalents on the basis of projected cash flow.

The Company has positive net working capital as of June 30, 2022 of $16.2 million (December 31, 2021 - $16.3 million). As a result, the Company cancelled its $1 million operating loan and $5 million capital loan facilities, and the bank released its general security agreement over the Company's assets. The Company retained the $100,000 letter of credit of guarantee facility for use with suppliers and its corporate credit card program. The Company put CDN$200,000 and USD$40,000 of cash into a one-year redeemable term deposit as general security for these remaining facilities. None of the remaining facilities are subject to standby fees and there is no specified facility expiration or renewal date.

	Three months ended June 30,		Six months ended June 30,	
Cash flow for the	**2022**	2021	**2022**	2021
(Stated in CDN $)				
Cash provided by (used in):				
Operating activities	**(579,456)**	(56,208)	**91,604**	(779,903)
Investing activities	**(518,995)**	(121,460)	**(808,079)**	(130,873)
Financing activities	**(62,542)**	(32,558)	**677,234**	65,238
Decrease in cash	**(1,160,993)**	(210,226)	**(39,241)**	(845,538)

Operating Activities

The Company had a cash outflow of $0.6 million from operations for the three months ended June 30, 2022, largely as a result of incurring $0.5 million additional costs relating to startup activities for the waste heat to power sites in Mexico. For the six months ended June 30, 2022, there was a cash inflow of $0.1 million which was an improvement of $0.9 million compared to the same period in 2021 and relates to an increase in equipment sales and rental activity in 2022.

Investing Activities

Investing activities for the three and six months ended June 30, 2022, included purchasing $0.3 million of one-year redeemable term deposits and $0.5 million of cash used to further the Company's development of its waste heat to power project.

Financing Activities

Cash provided by financing activities for the six months ended June 30, 2022 was net $0.7 million due to the Company receiving its first pre-milestone payment from SDTC related to the waste heat to power project of $0.8 million offset by lease payments of $0.1 million.

SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares. As at the date of this MD&A, the Company had 27,761,858 common shares outstanding.

The Company has share based payment plans comprising restricted, performance and deferred share unit plans as well as a stock option plan. At June 30, 2022, the Company had a total of 837,468 of issued and outstanding share-based payment awards under these plans. During the second quarter, the Company received approval from its Shareholders and the TSX Venture Exchange to implement the deferred share unit plan and on July 4, 2022 the Company granted 16,876 deferred share units at a fair value of $1 to its directors. The Company also granted 127,500 restricted share units and 127,500 performance share units to certain of its officers and directors subsequent to the quarter.

SUMMARY OF QUARTERLY RESULTS

For the three months ended	**Jun 30, 2022**	Mar 31, 2022	Dec 31, 2021	Sep 30, 2021	June 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	June 30, 2020
(CND$ '000's except amounts per share)									
Revenue	**2,454**	2,588	1,127	1,644	1,184	1,548	2,624	1,067	1,031
Gross profit (loss)	**432**	631	(946)	38	(127)	36	298	(442)	(37)
Loss for the period	**(458)**	(366)	(1,776)	(453)	(873)	(886)	(885)	(962)	(1,248)
Per share – basic and diluted	**(0.02)**	(0.01)	(0.06)	(0.02)	(0.03)	(0.03)	(0.03)	(0.04)	(0.05)

COMMITMENTS AND CONTINGENCIES

The Company has lease commitments for premises and storage facilities as disclosed in note 22 of the annual financial statements. As at June 30, 2022, the Company has entered into purchase commitments for materials required to build the 1500kw prototype unit for its waste heat to power research and development project in the amount of $1.3 million.

During the three and six months ended June 30, 2022, the Company continued to pursue its claim against Emissions RX related to infringement on the Company's intellectual property. From time to time, the Company is also subject to other legal proceedings, settlements, investigations, claims and actions arising from the normal course of business. While the final outcome of such actions and proceedings cannot be predicted with certainty, the Company believes that the resolution of such matters will not have a material impact on the Company's financial position or results of operations as at June 30, 2022.

FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, investments, trade, contract assets and other receivables, trade payables, accrued liabilities and provisions and a repayable government grant. The Company did not hold or issue any derivative financial instruments during the period.

Fair values

The carrying amounts of the current financial assets and current financial liabilities recognized in the Company's consolidated financial statements at the end of each reporting period approximate their fair value due to their short period to maturity except for the repayable government grant. Judgment is required in interpreting market data to develop the estimates of fair value. These estimates are not necessarily indicative of the amounts we could realize in current markets. The fair value of the government grant is determined based on market-based prices and is classified as Level 2 on the fair value hierarchy.

Credit risk

Credit risk arises from the potential that one or more counterparties fail to meet their obligations. A substantial amount of the Company's trade and contract receivables, which relate to the Company's revenues, are with customers in the oil and gas industry and are subject to normal industry credit risks. The Company mitigates this risk through its credit policies and practices including the use of credit limits and approvals, and by monitoring the financial condition of its customers. Payment terms with customers vary by contract. Standard payment terms are 30 days from invoice date.

At June 30, 2022, the Company's receivables greater than 90 days includes an amount of $0.9 million related to commissioning three waste heat to power facilities in Mexico. Questor has renegotiated the terms of the letters of credit with the customer based on the maximum output of available gas supply and received confirmation that the new letters of credit are currently in process with the bank.

The Company is also exposed to the risk of dependence on a few customers for a significant amount of the Company's revenue. The Company notes that equipment sales revenue which comprises a significant portion of total revenue, generally relates to a small number of customers each year but these customers change each year. The Company bills and collects equipment revenue throughout the contract which reduces collection risk. There is a concentration of rental and related service repair revenue. For the three and six months ended June 30, 2022, there were two customers who comprised 72 percent and 77 percent of total rental, service and repair revenue respectively (For the three and six months ended June 30, 2021 – 53 percent and 50 percent respectively).

Foreign currency risk

The Company is exposed to foreign exchange risk associated with foreign operations where assets, liabilities, revenue and costs are denominated in US dollars. The impact of this exposure is recorded as a cumulative translation adjustment in other comprehensive income. The net foreign exchange impact is insignificant for the three and six months ended June 30, 2022 and 2021.

The Company is also exposed to the impact of foreign currency fluctuations in its Canadian operations on sales and purchases of products and services from vendors primarily in the United States which resulted in a foreign exchange gain of $0.1 million for the three and six months ended June 30, 2022 respectively (three months and six months to June 30, 2021- loss of $0.1 million and $0.2 million). The Company mitigates some of the foreign currency risk by keeping a US dollar bank account to receive US payments and fund US dollar purchases.

RELATED-PARTY TRANSACTIONS

The Company defines key management personnel as being the directors, Chief Executive Officer, Chief Financial Officer, and Chief Operating Officer. In addition to their salaries, benefits and directors' fees, the Company also provides non-cash benefits including participation in the Company's stock option, restricted, performance and deferred share unit plans. There were no other related party transactions during the three and six months ended June 30, 2022.

ACCOUNTING POLICIES AND NEW ACCOUNTING PRONOUNCEMENTS

The Company's significant accounting policies and future accounting pronouncements are included in the Annual Consolidated Financial Statements for the year ended December 31, 2022.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the interim condensed consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported assets, liabilities, revenues, expenses and the disclosure of contingencies. Actual results may differ significantly from these estimates. A description of the significant accounting judgements, estimates and assumptions are set out in annual audited financial statements for the year ended December 31, 2022.

BUSINESS RISKS

The business of Questor is subject to certain risks and uncertainties. Prior to making any investment decision regarding Questor, investors should carefully consider, among other things, the risk factors set forth in the Company's most recently filed Annual MD&A, which are specifically incorporated by reference herein.

ADVISORIES-FORWARD LOOKING STATEMENTS

In order to provide the Company shareholders and potential investors with information regarding the Company and its subsidiaries, including management's assessment of the Company's plans and future operations, certain statements contained in this MD&A, including statements that contain words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "forecast" or similar words suggesting future outcomes, are forward-looking statements.

In particular, forward-looking statements in this MD&A include, but are not limited to, statements with respect to expected operating strategies and targets, capital expenditure programs, future financial resources, use of funds, anticipated equipment utilization levels, future oil and natural gas well activity in each of the Company's operating jurisdictions, results of acquisitions, the impact of environmental regulations and economic reforms and sanctions on the Company's business, future costs or potential liabilities, projections of market prices and costs and customer demand, supply and demand for the Company's products and services, expectations regarding the Company's ability to maintain its competitive position, anticipated benefits of the Company's competitive position, expectations regarding the Company's ability to raise capital, treatment under government regulatory regimes, commodity prices, anticipated outcomes of specific events, trends in, and the growth prospects of, the global energy industry, the Company's growth prospects including, without limitation, its international growth strategy and prospects, and the impact of changes in accounting policies and standards on the Company and its financial statements. These statements are derived from certain assumptions and analyses made by the Company based on its experience and perception of historical trends, current conditions, expected future developments and other factors that it believes are appropriate in the circumstances, including, but not limited to, the economic and political environment in which the Company operates, the Company's expectations for its current and prospective customers' capital budgets and geographical areas of focus, the Company's existing contracts and the status of current negotiations with key customers and suppliers, the effect unconventional gas projects have had on supply and demand fundamentals for natural gas and the likelihood that the current tax and regulatory regime will remain substantially unchanged.

Forward-looking statements are subject to several known and unknown risks and uncertainties that could cause actual results to differ materially from the Company's expectations. Such risk factors include: general economic conditions in Canada and globally; volatility in market prices for oil and natural gas and the effect of this volatility on the demand for oilfield services generally; competition; liabilities and risks, including environmental liabilities and risks, inherent in oil and natural gas operations; changes in legislation and the regulatory environment; sourcing, pricing and availability of raw materials, components, parts, equipment, suppliers, facilities and skilled personnel; the ability to integrate technological advances and match advances by competitors; the availability of capital on satisfactory terms; intellectual property risks; uncertainties in weather and temperature affecting the duration of the service periods and the activities that can be completed; dependence on, and concentration of, major customers; the creditworthiness and performance by the Company's counterparties and customers; liabilities and risks associated with prior operations; the effect of accounting pronouncements issued periodically; failure to realize anticipated benefits of acquisitions and dispositions; and currency exchange rate risk. Further information about these and other risks and uncertainties may be found under "Business Risks" above.

Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and there can be no assurance that actual results or developments anticipated by the Company will be realized, or that they will have the expected consequences or effects on the Company or its business or operations. These statements speak only as of the respective date of this MD&A or the document incorporated by reference herein. The Company assumes no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or otherwise, except as required pursuant to applicable securities laws.

ADDITIONAL INFORMATION

Further information regarding Questor Technology Inc. can be accessed on the Company's website at www.questortech.com or under the Company's public filings found at www.sedar.com.