



**CALGARY, ALBERTA – MARCH 15, 2012**

**QUESTFIRE ENERGY CORP. ANNOUNCES YEAR END 2011  
FINANCIAL RESULTS AND FILES ITS NI 51-101 DISCLOSURE**

Questfire Energy Corp. (the “Corporation” or “Questfire”) (TSX Venture – Q.A, Q.B) is pleased to announce that it has filed on SEDAR its audited financial statements, related management’s discussion and analysis (“MD&A”) and its Annual Information Form for the year ended December 31, 2011. The Corporation has also filed today its reserves data and other oil and gas information for the year ended December 31, 2011 as mandated by National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.

**2011 Corporate Highlights**

- Questfire’s initial public offering closed on October 18, 2011 with gross proceeds of \$6,176,000.
- Commenced trading on the TSX Venture Exchange on October 26, 2011 under the symbols Q.A and Q.B.
- Completed a 21-square-kilometer proprietary 3D seismic program in the W5 Exploration area. The preliminary results of the 3D seismic survey suggest up to six drilling locations prospective for light oil on Questfire land.
- Drilled two 100 percent working interest wells: a new pool natural gas well in the W4 Exploration area at Richdale and a light oil well in the W5 Exploration area at Niton.
- Exited the year with a 100 percent working interest land base of 21 sections (13,415 acres).

Subsequent to the year ended December 31, 2011, Questfire:

- Placed both wells drilled before year-end 2011 on-production;
- Drilled, completed and tested a third well in the Corporation’s W5 exploration area, which encountered a new Upper Mannville natural gas pool and flow-tested in January at 1.1 mmscf per day (170 boe per day), with gas analysis suggesting recoverable natural gas liquids will be in the range of 35-40 bbls/mmscf. The Corporation is evaluating tie-in and processing options for Q3 2012.
- Acquired an additional two sections of land at 100 percent working interest, bringing its total land base to 23 sections (14,695 acres).

## President's Message

It is a great pleasure to report on Questfire's beginnings as a public company and to welcome our shareholders. Within four months of entering the public markets, Questfire was able to report drilling and testing three successful wells, all of which are oil or natural gas pool discoveries. As we reported in mid-February, two of the wells are now on production. We are off to a very good start, recording our first natural gas and oil sales in February.

Questfire's experienced management team is focused on medium to light oil opportunities in the W5 region of central Alberta and the W4 corridor in southern Alberta. We have a growing inventory of highly prospective medium to light oil exploration plays and we continue to actively grow our land base. All land and projects so far are held at 100 percent working interest, which combined with our relatively low number of shares outstanding means high leverage for shareholders to potential exploration drilling successes.

Our capital spending of \$3.5 million in 2011 (\$3.0 million in Q4, 2011 alone) added nearly 12 net sections of land, saw the shooting of a 21 square kilometer proprietary 3D seismic survey in our W5 Exploration area and allowed us to commence our initial three well exploration drilling program. In the near term we are preparing two 100% drilling locations for late Q1 2012, subject to weather and rig availability. One of the two wells will test a medium gravity oil prospect in our W4 Exploration Area at a depth of approximately 900 meters. We have the land over this play "tied-up" with 100 percent working interest. With success it could have significant and material upside for Questfire. The second well, also 100 percent working interest, will be drilled on our proprietary 3D seismic data in the W5 Exploration area and is targeting two light oil zones at a depth of approximately 1600 meters. With success Questfire has defined an additional six potential drilling locations on this 3D seismic survey.

Given the continued weakness in natural gas prices, with very few catalysts for price recovery in the near term, the industry focus has definitely shifted to oil. Although this is resulting in increased competition for oil prospects, especially large resource-style plays, offsetting this is that we are seeing fewer exploration-focused junior oil companies. I believe this is creating opportunities and a niche for Questfire.

Going forward, we will continue to execute our business plan of pursuing medium and light oil opportunities through the drill-bit while evaluating potential acquisitions that fit our business plan. Our balance sheet has no debt, creating flexibility for us to react to market conditions and to pursue opportunities as they arise.

Questfire Energy Corp. is an Alberta-based company formed to participate in oil and gas exploration, development and acquisitions focusing in the W4 and W5 regions of Alberta. The Corporation's shares trade on the TSX Venture exchange under the symbols Q.A and Q.B. The Corporation currently has 12,813,001 Class A shares and 555,840 Class B shares outstanding.

**To view a full copy of the Corporation's audited financial results for the year ended December 31, 2011, including the Corporation's audited financial statements and accompanying MD&A, please refer to the SEDAR website at [www.sedar.com](http://www.sedar.com) or contact the Corporation at Questfire Energy Corp., 400, 703 – 6<sup>th</sup> Ave S.W., Calgary, Alberta, T2P 0T9.**

## **Reader Advisory**

*This news release contains certain forward-looking statements, including management's assessment of future plans and operations, and capital expenditures and the timing thereof, that involve substantial known and unknown risks, uncertainties, and assumptions certain of which are beyond Questfire's control. Such risks, uncertainties, and assumptions include, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the impact of general economic conditions in Canada, the United States and overseas, industry conditions, changes in laws and regulations (including the adoption of new environmental laws and regulations) and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Questfire's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that Questfire will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. All subsequent forward-looking statements, whether written or oral, attributable to Questfire or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and Questfire does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.*

*Petroleum and natural gas volumes are converted to an equivalent measurement basis referred to as a "barrel of oil equivalent" (boe) on the basis of 6 thousand cubic feet of natural gas equalling 1 barrel of oil. This is based on an energy equivalency conversion method applicable at the burner tip and does not necessarily represent a value equivalency at the wellhead which is approximately 30 Mcf to 1 bbl. Readers are cautioned that boe figures may be misleading, particularly if used in isolation.*

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To request a free copy of Questfire's financial report or if you would like to be put on Questfire's mailing list please contact Ronald Williams, Vice President, Finance and CFO at [rwilliams@questfire.ca](mailto:rwilliams@questfire.ca)

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