CALGARY, ALBERTA – August 18, 2015

QUESTFIRE ENERGY CORP. ANNOUNCES 2015 SECOND QUARTER FINANCIAL RESULTS

Questfire Energy Corp. (the "Corporation" or "Questfire") (TSX Venture – Q.A, Q.B) is pleased to announce that it has filed on SEDAR its unaudited interim financial statements and related management's discussion and analysis ("MD&A") for the three and six month periods ended June 30, 2015.

Financial and Operating Highlights

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	**2015**	2014
Financial				
Oil and natural gas sales	**$ 10,602,982**	$ 17,130,571	**$ 21,457,024**	$ 38,086,390
Funds flow from operations [1]	**3,236,195**	4,410,433	**6,287,734**	12,800,250
Per share, basic	**0.19**	0.33	**0.36**	0.97
Per share, diluted	**0.14**	0.19	**0.28**	0.43
Income (loss)	**(1,904,095)**	8,171,517	**(3,904,160)**	22,546,797
Per share, basic	**(0.11)**	0.61	**(0.23)**	1.71
Per share, diluted	**(0.11)**	0.36	**(0.23)**	0.76
Capital expenditures	**914,066**	3,240,324	**2,562,634**	6,416,327
Property acquisitions (dispositions)	**$ -**	$ (3,752,297)	**-**	(3,792,346)
Working capital deficit *(end of period)* [2]			**4,165,519**	5,464,188
Long-term contract obligation *(end of period)* [3]			**14,333,833**	14,574,327
Long-term bank debt *(end of period)*			**40,589,595**	37,000,000
Shareholders' equity *(end of period)*			**$ 20,360,723**	$ 21,308,953
Shares outstanding *(end of period)*				
Class A			**17,318,001**	17,293,001
Class B			**550,440**	550,440
Options outstanding *(end of period)*			**3,291,000**	2,671,000
Weighted-average basic shares outstanding	**17,318,001**	13,418,386	**17,318,001**	13,191,951
Weighted-average diluted shares outstanding	**17,318,001**	23,061,694	**17,318,001**	31,143,854
Class A share trading price				
High	**$ 1.95**	$ 2.60	**$ 1.95**	$ 2.60
Low	**1.15**	1.50	**1.15**	0.95
Close	**$ 1.59**	$ 2.50	**$ 1.59**	$ 2.50

	Three months ended June 30, 2015	2014	Six months ended June 30, 2015	2014
Operations [4]				
Production				
Natural gas *(Mcf/d)*	**20,690**	22,123	**21,511**	22,754
Natural gas liquids (NGL) *(bbls/d)*	**599**	601	**644**	635
Crude oil *(bbls/d)*	**605**	434	**697**	420
Total *(boe/d)*	**4,652**	4,722	**4,926**	4,847
Benchmark prices				
Natural gas				
AECO *(Cdn$/GJ)*	**$ 2.51**	$ 4.45	**$ 2.56**	$ 4.95
Crude oil				
WTI *(US$/bbl)*	**57.94**	102.96	**53.29**	100.82
Canadian Light *(Cdn$/bbl)*	**68.88**	106.67	**61.08**	103.42
Average realized prices [5]				
Natural gas *(per Mcf)*	**2.73**	4.83	**2.80**	5.41
NGL *(per bbl)*	**40.87**	66.24	**36.81**	74.53
Crude oil *(per bbl)*	**58.72**	95.62	**49.58**	95.07
Operating netback *(per boe)* [6]	**9.53**	16.74	**9.23**	20.89
Funds flow netback *(per boe)* [6]	**$ 7.65**	$ 10.26	**$ 7.05**	$ 14.59

(1) For a description of Funds flow from operations, refer to the commentary in the MD&A under Additional GAAP measures.

(2) Working capital deficit includes risk management contract assets of $1,039,009 (June 30, 2014 – $2,166,459 liability). Excluding this, the working capital deficit would be $5,204,528 (June 30, 2014 – $3,297,729).

(3) Long-term contract obligation excludes current portion of $321,586 (June 30, 2014 – $346,118), which is included in working capital deficit.

(4) For a description of the boe conversion ratio, see “Reader Advisory”.

(5) Before hedging.

(6) For a description of Operating netback and Funds flow netback, refer to the commentary in the MD&A under Non-GAAP measures.

Second Quarter 2015 Corporate Highlights

- Achieved average production of 4,652 boe per day for the quarter, 74 percent natural gas.
- Had crude oil production of 605 bbls per day for the quarter, an increase of 39 percent from the second quarter of 2014, due to success in the Corporation’s drilling and optimization programme.
- Achieved quarterly sales of $10.6 million and funds flow from operations of $3.2 million ($0.19 per basic share).
- Incurred operating costs of $12.42 per boe for the quarter, achieving a decrease of 27 percent from the second quarter of 2014. First half 2015 operating costs were $11.98 per boe, a decrease of 22 percent from the first half of 2014. Both decreases were due to success in the Corporation’s production optimization and operating efficiency efforts.
- Made minimal capital expenditures for the quarter of $0.9 million, well within funds flow of $3.2 million.
- Conducted an annual bank line review, which resulted in the renewal of the previous $55 million bank line.

President's Message

The second quarter of 2015 continued to be very challenging for the oil and gas industry, with all commodity prices at or near multi-year lows. Questfire's realized commodity prices in the quarter were lower by 43 percent for natural gas, 38 percent for natural gas liquids and 39 percent for crude oil than in the second quarter of 2014.

Questfire's strategy since late 2014 has been to minimize capital spending and to continue to focus on cost reductions. I'm pleased to report that Questfire's field operating costs and overall cost structure have seen significant reductions. Operating costs of $11.98 per boe for the first half of 2015 are 22 percent lower than in the first half of 2014. All other areas of spending are being scrutinized and are realizing cost savings.

During the quarter our senior credit facilities were reviewed and renewed by our banking syndicate at the previous $55 million. Our current bank debt of approximately $40.6 million is well within this credit facility and Questfire intends to continue to keep capital spending within forecast 2015 funds flow from operations so as not to increase the bank debt.

Our production continues to show a low base decline rate of less than 15 percent per year, with a current capability of approximately 5,300 boe per day. This is extremely helpful in navigating this period of low commodity prices, as it allows severe curtailment of capital spending without undue reduction in production volumes. Second-quarter production volumes were substantially reduced due to ongoing capacity restrictions on the Nova Gas Gathering System in Alberta. Our Medicine Hat and Open Lake properties, both of which are 100 percent working interest, experienced significant production restrictions during the quarter. TransCanada Corporation operates the Nova system and has been performing extensive pipeline integrity inspection and repair work. The work and associated production restrictions are expected to come to an end in early October 2015. The associated reserves, of course, are not lost, and the temporarily shut-in volumes might well end up being produced during a period of more favourable commodity prices.

Questfire continued to exercise capital spending discipline and has deferred all drilling so far this year, resulting in first-half capital spending of only $2.6 million. This includes several mandatory maintenance and repair projects as well as carry-over spending on completions and facilities for wells drilled in late 2014.

Questfire is preparing to drill a horizontal gas well in the Morningside area of central Alberta in late August. This well is targeting the Falher Formation and would be completed with multi-stage fracturing. It has the potential to be a prolific producer, which should yield positive economics in spite of the current low commodity prices. Questfire will operate the well and our working interest is 87.5 percent. A second horizontal well location is being prepared for drilling later in the year in the Viking-Kinsella field in east-central Alberta. This well will target heavy oil and is at 100 percent working interest. Forecast total capital spending for the year is in the range of $7 million to $9 million, subject to commodity prices and cash flow.

Going forward, the Questfire team will remain focused on further cost reduction measures, exercising capital spending discipline and on testing several high-impact drilling opportunities such as the horizontal gas well at Morningside.

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 17,318,001 Class A shares and 550,440 Class B shares outstanding.

To view a full copy of the Corporation's unaudited financial results for the period ended June 30, 2015, including the Corporation's unaudited financial statements and accompanying MD&A, please refer to the SEDAR website at www.sedar.com or contact the Corporation at Questfire Energy Corp., 1100, 350 – 7th Ave S.W., Calgary, Alberta, T2P 3N9.

Reader Advisory

*Reserves and petroleum and natural gas volumes are stated as a "**barrel of oil equivalent**" (boe), derived by converting gas to an oil equivalency in the ratio of 6,000 cubic feet of gas to one barrel of oil. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6,000 cubic feet of gas to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead which under current commodity price conditions is approximately 20 Mcf to 1 bbl. Readers are cautioned that boe figures may be misleading, particularly if used in isolation.*

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.

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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.