



**CALGARY, ALBERTA – FEBRUARY 17, 2012**

## **QUESTFIRE ENERGY CORP. REPORTS SUCCESSFUL DRILLING AND FIRST PRODUCTION**

Questfire Energy Corp. (“Questfire” or the “Company”) (TSX-V: Q.A and Q.B) is pleased to announce that it has drilled three successful 100 percent working interest oil and liquids-rich natural gas wells into three separate pools, all of which are expected to be recognized as new pool discoveries, and brought its first oil production on-stream February 1.

Following the closing of Questfire’s previously announced IPO, in October 2011 the Company initiated a three-well, Company-operated exploration drilling program, all at 100 percent working interest:

- The first well, at Richdale in the Company’s W4 exploration area, was completed in late October and is a new, liquids-rich natural gas pool discovery in the Mannville formation. The well tested at a final rate of 2 mmscf per day with a 31% drawdown over a 4 hour production test. The well commenced production on February 13 at a restricted rate of approximately 600 mcf (100 boe per day), and is expected to yield approximately 15 bbls/mmscf of natural gas liquids;
- The second well was drilled in the Company’s W5 exploration area in December and resulted in an oil well in a Lower Mannville formation. It commenced production February 1 at approximately 10 bbls per day of sweet, 31° API oil, with no water. This well targeted a Deep Basin oil zone and the Company will closely monitor its performance to evaluate the potential for follow-up horizontal well development;
- The third well, also drilled in the Company’s W5 exploration area, encountered a new Upper Mannville natural gas pool and flow-tested in January at 1.1 mmscf per day (170 boe per day) at the end of a 44 hour production test at a flowing wellhead pressure of 37 psi. A gas analysis taken during the flow test suggests that recoverable natural gas liquids will be in the range of 35-40 bbls/mmscf. Pipeline tie-in and processing options exist to third-party facilities and are being evaluated.

The Company continues to accumulate land prospective for light oil exploration and currently has a 100 percent working interest land base of 23 sections (14,695 acres). In addition, Questfire recently completed a 21-square-kilometre proprietary 3D seismic survey in its W5 exploration area. The data helped delineate several potential oil pools. The Company is preparing two 100 percent working interest drilling locations targeting light oil that are scheduled for drilling late in the first quarter, subject to weather and rig availability, and further drilling is planned following spring break-up.

Questfire was formed to participate in oil and natural gas exploration, development and production in Canada. In particular, Questfire intends to generate and develop its own prospects, acquire oil and natural gas properties and participate with joint venturers and other industry partners in oil and gas exploration and development in the Western Canada Sedimentary Basin.

The Class A Shares and Class B Shares are listed on the TSX Venture Exchange under the trading symbols Q.A and Q.B respectively.

### **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. Readers are cautioned that boe figures may be misleading, particularly if used in isolation.*

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