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QUESTFIRE ENERGY CORP. ANNOUNCES DECEMBER 31, 2014 RESERVES AND RECORD QUARTERLY PRODUCTION

Questfire Energy Corp. (the "Corporation" or "Questfire") (TSX Venture – Q.A, Q.B) is pleased to announce the results of its independent reserves evaluation as of December 31, 2014 as prepared by GLJ Petroleum Consultants Ltd. ("GLJ"), the Corporation's independent reserves evaluator. The evaluation was prepared in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities*.

Highlights of the Reserve Report

- Questfire employed cashflow capital spending of \$19.2 million in 2014 and achieved reserve growth in all categories:
 - Year end 2014 proved plus probable (P+P) reserves total 30.131 million boe, an increase of 17 percent over year end 2013 P+P reserves of 25.687 million boe.
 - Total proved (TP) reserves at year end 2014 totaled 20.071 million boe, a 6 percent increase over year end 2013 TP reserves of 18.972 million boe.
 - Proved Producing (PDP) reserves at year end 2014 totaled 16.017 million boe, a 2 percent increase over year end 2013 PDP reserves of 15.679 million boe.
- Total capital spending in 2014 was \$19.2 million and 2014 operating netbacks averaged \$17.63 per boe, resulting in all-in finding and development costs (F&D) including future development costs (FDC) for 2014 of:
 - **\$6.28 per boe** for P+P reserves generating a recycle ratio of **2.81**
 - **\$6.82 per boe** for TP reserves generating a recycle ratio of **2.59**
 - **\$7.74 per boe** for PDP reserves generating a recycle ratio of **2.28**
- Reserve life index of 15.0 years for P+P reserves, 10.0 years for TP reserves and 8.0 years for PDP reserves (based on annualized fourth quarter 2014 average production of 5,501 boe per day and December 31, 2014 Working Interest Reserves).
- TP reserves accounted for 67 percent of the P+P reserves.

Operations

Questfire achieved an all-time high quarterly average production rate of 5,501 boe per day in the fourth quarter of 2014. Production consisted of 25 percent oil and NGLs and 75 percent natural gas.

The low F&D costs posted in 2014 resulted in part from a successful drilling program. During 2014 Questfire participated in the drilling of 32 gross (12.8 net) wells, with an overall success rate of 94 percent; 19 of the 32 wells were horizontal oil wells.

December 31, 2014 Working Interest Reserve Summary, Before Tax and Royalties

Reserves Category	Light and Medium Oil (Mbbbl)	Heavy Oil (Mbbbl)	Natural Gas Liquids (Mbbbl)	Natural Gas (MMcf)	Total Oil Equivalent (Mboe)
Proved Producing	1,003	276	2,005	76,397	16,017
Proved Developed – Non-Producing	43	15	148	6,439	1,279
Proved Undeveloped	49	52	455	13,319	2,775
Total Proved	1,095	343	2,608	96,154	20,071
Probable	645	436	1,093	47,321	10,060
Total Proved Plus Probable	1,739	779	3,700	143,476	30,131

Net Present Value (NPV) of Reserves Before Tax

Below is a table showing the Corporation's NPV of future net revenue attributable to Total Company Interest Reserves using forecast prices and costs. The prices used were GLJ Forecast Prices as at January 1, 2015. The estimated future net revenues are presented before deducting income tax and future estimated site restoration costs, and are reduced for estimated future abandonment costs and future capital costs associated with non-producing, undeveloped and probable additional reserves. Estimated values disclosed do not represent fair market value.

Reserves Category	0% (M\$)	5% (M\$)	8% (M\$)	10% (M\$)	12% (M\$)	15% (M\$)	20% (M\$)
Proved Producing	286,340	186,034	153,931	138,163	125,403	110,258	92,002
Proved Developed – Non-Producing	18,660	13,692	11,650	10,551	9,613	8,447	6,969
Proved Undeveloped	53,119	27,855	19,924	16,152	13,189	9,811	6,002
Total Proved	358,119	227,581	185,505	164,866	148,206	128,516	104,974
Probable	222,669	115,345	85,822	72,331	61,925	50,197	37,009
Total Proved Plus Probable	580,788	342,925	271,327	237,196	210,131	178,712	141,983

Finding and Development Costs

The table below summarizes F&D costs for 2014. All cases include changes in FDC and technical revisions. Total capital spent in 2014 was \$19.207 million. The operating netback for 2014 was \$17.63 per boe

		Proved Producing (Mboe)	Total Proved (Mboe)	Proved Plus Probable (Mboe)
December 31, 2013 Working Interest Reserves	A	15,679	18,972	25,687
December 31, 2014 Working Interest Reserves	B	16,017	20,071	30,131
2014 Full Year Production ⁽¹⁾	C	1,819	1,819	1,819
Dispositions	D	218	229	325
2014 Reserve Additions ⁽²⁾	E	2,375	3,147	6,588
Change in FDC (MM\$)		(0.826)	2.243	22.192
2014 Capex + Change in FDC (MM\$)	F	18.381	21.450	41.399
Operating Netback (\$/boe) ⁽¹⁾	G	17.63	17.63	17.63
2014 F&D Cost (\$/boe) ⁽³⁾	H	7.74	6.82	6.28
Recycle Ratio ⁽⁴⁾		2.28	2.59	2.81

⁽¹⁾ 2014 Full Year Production, Capex, and Operating netback (oil and natural gas sales less royalties, production and operating, and transportation expenses) are estimated and remain unaudited at this time.

⁽²⁾ 2014 Reserve Additions is calculated as the 2014 Working Interest Reserves (B) less the 2013 Working Interest Reserves (A) plus 2014 Full Year Production (C) plus Dispositions (D). Reserve Additions are the change in reserves, removing the impact of production during the year as well as dispositions.

⁽³⁾ 2014 F&D Cost is calculated as the 2014 Capex + Change in FDC (F) divided by the 2014 Reserve Additions (E). The F&D Cost is used by Questfire as a measure of capital efficiency.

⁽⁴⁾ Recycle Ratio is calculated as the Operating Netback (G) divided by the F&D costs for the period (H). The Recycle Ratio compares the Operating Netback from existing reserves to the cost of finding new reserves, and may not accurately indicate investment success unless the replacement reserves are of equivalent quality as the produced reserves.

Reserve Life Index (RLI)

The reserve life index was calculated using the Corporation's Working Interest Reserves and the 2014 fourth quarter average production rate of 5,501 boe per day (includes royalty volumes). The RLI is calculated by dividing reserve volumes (in boe) in each category by the annualized 2014 fourth quarter production rate (in boe/year).

	<u>Proved Producing</u>	<u>Total Proved</u>	<u>Proved Plus Probable</u>
Working Interest Reserves (Mboe)	16,017	20,071	30,131
Annualized Q4 2014 Production (Mboe/year) ⁽¹⁾	2,008	2,008	2,008
Reserve Life Index (years)	8.0	10.0	15.0

⁽¹⁾ Estimated and unaudited fourth quarter production of 506,108 boe divided by 92 days in the fourth quarter, multiplied by 365 days equals an annualized figure of 2,007,928 boe.

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.

Complete filings of the Corporation's Statement of Reserves (form 51-101F1), Report on Reserves (form 51-101F2), and Report of Management and Directors on Oil and Gas Disclosure (form 51-101F3) will be available in the Annual Information Form (AIF) to be filed on or about April 9, 2015 on the SEDAR website at www.sedar.com.

Reserves Definitions & Reader Advisory

"Proved reserves" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

"Probable reserves" are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

"Reserves" are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on (a) analysis of drilling, geological, geophysical, and engineering data; (b) the use of established technology; and (c) specified economic conditions, which are generally accepted as being reasonable and shall be disclosed. Reserves are classified according to the degree of certainty associated with the estimates being "proved reserves", "probable reserves" and "possible reserves".

"Total Company Interest Reserves" is the sum of royalty interest and working interest reserves before royalty burdens payable are deducted.

"Working Interest Reserves" is the Corporation's working interest reserves before royalty burdens payable are deducted.

Reserves and production are stated in "barrels of oil equivalent" (boe) derived by converting gas to an oil equivalency in the ratio of six thousand cubic feet of gas to one barrel of oil. "Boe" may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf: 1 bbl 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 in the range of 20-25 Mcf to 1 bbl. Readers are cautioned that boe figures may be misleading, particularly if used in isolation.

The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserve additions for that year.

Some values set forth in the tables above may not add due to rounding. Estimates of future net revenues presented in the tables above do not represent fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material.

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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