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QUESTFIRE ENERGY CORP. ANNOUNCES DECEMBER 31, 2015 CORPORATE RESERVES

Questfire Energy Corp. (the "Corporation" or "Questfire") (TSX Venture – Q.A, Q.B) is pleased to announce the results of its independent reserves evaluation effective as of December 31, 2015 as prepared by GLJ Petroleum Consultants Ltd. ("GLJ"), the Corporation's independent qualified reserves evaluator. The evaluation was prepared in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities and the Canadian Oil and Gas Evaluation Handbook*. All financial, netback and production figures for 2015 shown herein are currently unaudited.

Highlights of the Reserve Report

Questfire employed cashflow capital spending of \$4.955 million in 2015 and achieved an average operating netback of \$8.48 per barrel of oil equivalent (**boe**) and fourth quarter average production of 5,060 boe per day (**boepd**). Questfire achieved reserve additions with low finding and development (**F&D**) costs in all categories as follows:

Proved plus Probable Reserves:

- Year end 2015 proved plus probable (**P+P**) reserves total 31.450 million boe, an increase of 4 percent over year end 2014 P+P reserves of 30.131 million boe
- P+P reserve additions for 2015 were 3.070 million boe
- Total all-in F&D costs including changes in future development capital (**FDC**) were \$10.85 per boe for P+P reserves generating a recycle ratio of 0.78

Total Proved Reserves:

- Year end 2015 total proved (**TP**) reserves total 19.860 million boe, a decrease of 1 percent over year end 2014 P+P reserves of 20.071 million boe
- P+P reserve additions for 2015 were 1.540 million boe
- Total all-in F&D costs including changes in FDC were \$3.78 per boe for TP reserves generating a recycle ratio of 2.24

Total Proved Producing Reserves:

- Year end 2015 proved producing (**PDP**) reserves total 15.151 million boe, a decrease of 5 percent over year end 2014 PDP reserves of 16.017 million boe
- PDP reserve additions for 2015 were 0.885 million boe
- Total all-in F&D costs including changes in FDC were \$4.90 per boe for TP reserves generating a recycle ratio of 1.73

Reserve life index (RLI): The RLI at year-end 2015 is 17.0 years for P+P reserves, 10.8 years for TP reserves and 8.2 years for PDP reserves (based on annualized fourth quarter 2015 average production of 5,060 boepd and December 31, 2015 Working Interest Reserves).

- TP reserves accounted for 63 percent of the P+P reserves.

Operations

Questfire averaged 4,877 boepd of production (26 percent oil and natural gas liquids) in spite of approximately 350 boepd of average production restrictions in 2015 due to outages and restrictions on the Nova Gas Transmission System. Fourth quarter of 2015 average production was 5,060 boepd. Questfire's production base continues to perform well with a base decline estimated at 12 percent to 15 percent per year. Operating costs continue to decline with forecast 2016 operating costs to average in the \$11.00 per boe range.

The reserve additions and low F&D costs posted in 2015 resulted in part from successful drilling of the Corporation's first horizontal multi-stage fraced Falher gas well in the Morningside field. The well was drilled with 100 percent working interest and has helped prove up an additional 8 gross (7 net) horizontal drilling locations. Other reserve additions resulted from better than forecast production performance, low cost optimization projects and from probable oil and NGL reserves assigned to a Questfire operated future gas cycling/light oil enhanced recovery project in the Carstairs field.

December 31, 2015 Working Interest Reserve Summary, Before Tax and Royalties

Reserves Category	Light and Medium Crude Oil (Mbbbl)	Heavy Crude Oil (Mbbbl)	Natural Gas (MMcf)	Natural Gas Liquids (Mbbbl)	Total Oil Equivalent (Mboe)
Proved Producing	850	137	72,130	2,142	15,151
Proved Developed – Non-Producing	31	5	5,712	182	1,171
Proved Undeveloped	12	52	17,106	623	3,538
Total Proved	893	194	94,948	2,948	19,860
Probable	1,846	371	48,142	1,349	11,590
Total Proved Plus Probable	2,739	565	143,091	4,297	31,450

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 the 3 Consultants' Average Forecast Prices as at January 1, 2016. The estimated future net revenues are presented before deducting income tax and are reduced for estimated future abandonment and reclamation 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	203,257	139,242	117,050	105,730	96,356	84,986	70,956
Proved Developed – Non-Producing	13,528	10,242	8,815	8,029	7,348	6,487	5,373
Proved Undeveloped	45,945	24,172	16,989	13,493	10,708	7,487	3,804
Total Proved	262,730	173,656	142,854	127,252	114,412	98,960	80,133
Probable	296,169	124,187	80,052	61,180	47,400	32,840	17,915
Total Proved Plus Probable	558,898	297,843	222,905	188,433	161,812	131,800	98,048

Finding and Development Costs

The table below summarizes F&D costs for 2015. All cases include changes in FDC and technical revisions. Total capital spent in 2015 was \$4.955 million. The operating netback for 2015 was \$8.48 per boe.

		Proved Producing (Mboe)	Total Proved (Mboe)	Proved Plus Probable (Mboe)
December 31, 2014 Working Interest Reserves	A	(16,017)	(20,071)	(30,131)
December 31, 2015 Working Interest Reserves	B	15,151	19,860	31,450
2015 Full Year Production ⁽¹⁾	C	1,751	1,751	1,751
Dispositions	D	0	0	0
2015 Reserve Additions ⁽²⁾	E	885	1,540	3,070
Change in FDC (MM\$)		(0.622)	0.871	28.345
2015 Capex + Change in FDC (MM\$)	F	4.333	5.826	33.300
Operating Netback (\$/boe) ⁽¹⁾	G	8.48	8.48	8.48
2015 F&D Cost (\$/boe) ⁽³⁾	H	4.90	3.78	10.85
Recycle Ratio ⁽⁴⁾		1.73	2.24	0.78

⁽¹⁾ 2015 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⁾ 2015 Reserve Additions is calculated as the 2015 Working Interest Reserves (B) less the 2014 Working Interest Reserves (A) plus 2015 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⁾ 2015 F&D Cost is calculated as the 2015 Capex + Change in FDC (F) divided by the 2015 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 2015 fourth quarter average production rate of 5,060 boepd (includes royalty volumes). The RLI is calculated by dividing reserve volumes (in boe) in each category by the annualized 2015 fourth quarter production rate (in boe/year).

	Proved Producing	Total Proved	Proved Plus Probable
Working Interest Reserves (Mboe)	15,151	19,860	31,450
Annualized Q4 2015 Production (Mboe/year) ⁽¹⁾	1,847	1,847	1,847
Reserve Life Index (years)	8.2	10.8	17.0

⁽¹⁾ Estimated and unaudited fourth quarter production of 465,534 boe divided by 92 days in the fourth quarter, multiplied by 365 days equals an annualized figure of 1,846,956 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 7, 2016 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. 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 15-25 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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