

news release

**QuestAir Technologies and Iwatani Corporation announce agreement
to market hydrogen purification systems**

For Immediate Release

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BURNABY, B.C. – QuestAir Technologies Inc. has signed an agreement with Iwatani International Corporation, Japan’s leading supplier of industrial hydrogen, to market QuestAir’s hydrogen purification systems in Japan and other parts of Asia. Under the terms of the non-exclusive agreement, Iwatani received the right to market QuestAir’s HyQuestor® and QuestAir H-3200 pressure swing adsorption (“PSA”) products in Japan, China and nine other Asian countries. The initial term of the agreement is three years.

Jonathan Wilkinson, President and CEO of QuestAir, said that Japan and Asia are significant growth markets for on-site hydrogen generation and purification equipment for both industrial and fuel cell-related applications. “It is a great honor for QuestAir to be working closely with Iwatani, Japan’s leading supplier of industrial hydrogen. This agreement greatly expands QuestAir’s access to the Japanese and other Asian markets through Iwatani’s strong distribution channels and customer relationships,” Wilkinson said.

This agreement follows the successful one year field trial of QuestAir’s HyQuestor® and H-3200 hydrogen purifiers at two Iwatani partner sites in 2002 and 2003. During these field trials, the HyQuestor® and QuestAir H-3200 purified hydrogen generated or ‘reformed’ from both methanol and natural gas feedstock. The partner organizations involved were MGC Engineering Co., Ltd., a manufacturer of methanol reformers located in Niigata, Japan; and the Kure Division of Babcock-Hitachi K.K., a manufacturer of natural gas reformers located in Kure, Japan.

Mr. Yoshikatsu Tani, General Manager, Gas Plant Department of Iwatani, said, “We are very pleased to enter into this alliance with QuestAir, the leading supplier of compact, high efficiency hydrogen PSA systems. The performance of QuestAir’s H-3200 product during the field trial exceeded our expectations, and we look forward to offering QuestAir’s line of products as part of Iwatani’s packaged systems for on-site hydrogen generation and gas production technologies”.

About QuestAir Technologies Inc.

QuestAir Technologies, Inc. has developed proprietary gas purification technology that is being applied to several large existing and emerging world markets, including industrial hydrogen production and stationary and automotive fuel cells. QuestAir's proprietary fast-cycle pressure swing adsorption ("PSA") technology allows the developers of fuel

cell systems to increase the efficiency of their products, and offers a compact, cost effective gas purification solution to QuestAir's industrial customers and developers of hydrogen fueling infrastructure. QuestAir is a private company based in Burnaby, British Columbia whose shareholders and strategic partners include Shell Hydrogen, Ballard Power Systems and The BOC Group.

About Iwatani International Corporation:

Iwatani places greatest emphasis on its original and most competitive businesses---GAS & ENERGY. Founded in 1930, Iwatani has been expanding its activities in 2 core businesses, Energy (represented by LPG) and Industrial Gases. Iwatani is a pioneer in Japan for LPG and hydrogen, with continued leading positions in these industries. Iwatani is classified as a trading firm but is a unique organization with production plants and facilities especially for industrial gases, as well as nationwide distribution networks in Japan and additional capabilities to distribute overseas. QuestAir's HyQuestor® and H-3200 hydrogen purifiers will add extra strength to Iwatani's hydrogen-related expertise. Iwatani is a public company based in Osaka and Tokyo.

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