

news release

QuestAir Technologies Inc. Announces Filing of a Final Prospectus in Connection with its Initial Public Offering

For Immediate Release

15 December, 2004

BURNABY, B.C. – QuestAir Technologies Inc. (“QuestAir”) announced today that it has entered into an agency agreement and has filed a final prospectus with the securities regulatory authorities in the provinces of British Columbia, Alberta, Ontario and Quebec in connection with its proposed initial public offering. The company expects to raise gross proceeds of C\$15 million through the issuance of approximately 8,600,000 common shares (the “Offering”), at a price of C\$1.75 per share. In addition, QuestAir has granted to the Agents an option, exercisable in whole or in part, to purchase up to an additional 10% of the number of common shares sold pursuant to the Offering, at any time within 30 days following the closing of the Offering. The Offering is expected to close on December 21, 2004.

Canaccord Capital (Europe) Limited, Canaccord Capital Corporation and CIBC World Markets Inc. acted as Agents for the company in connection with the offering in the United Kingdom, Europe, Canada and the United States.

QuestAir has received conditional approval for the listing of its common shares on the Toronto Stock Exchange (“TSX”) under the symbol “QAR”, subject to fulfilling all of the requirements of the TSX. QuestAir is also seeking a listing of its common shares on the AIM Market of the London Stock Exchange plc under the symbol “QAR”.

This news release is not for dissemination in the United States or to any United States news services.

This news release contains forward-looking statements concerning the anticipated Offering, which statements can be identified by the use of forward-looking terminology such as “expect” or “proposed”, or the negative thereof or any other variations thereon or comparable terminology referring to future events or results. Forward-looking statements are statements about the future and are inherently uncertain, and the actual events or results could be materially different than those anticipated in those forward-looking statements as a result of numerous factors, including without limitation, the fact that the completion of the Offering is subject to customary closing conditions and prevailing conditions in the capital markets, and the concomitant risk that the Offering may not be successfully completed consistent with the terms outlined above, or at all; as well as a description of other risks and uncertainties affecting the Company and its business, as contained in QuestAir’s Prospectus, any of which could cause actual events or results to vary materially from QuestAir’s anticipated future results. Forward-looking statements are based on the beliefs, opinions and expectations of QuestAir’s management at the time they are made, and QuestAir does not assume any obligation to update its forward-looking statement if those beliefs, opinions or expectations, or other circumstances, should change.

About QuestAir Technologies Inc.

QuestAir Technologies, Inc. is a developer, manufacturer and supplier of proprietary gas purification systems for several large international markets, including existing markets such as oil refining, biogas production and natural gas processing, and emerging markets such as fuel cell power plants and fuel cell vehicle refueling stations. The Company has joint development agreements with Exxon Mobil Research and Engineering Company and Shell Hydrogen, and a collaboration with FuelCell Energy. QuestAir is based in Burnaby, British Columbia.

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