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January 7, 2020 – Questerre reports on corporate developments at Red Leaf Resources

Calgary, Alberta -- Questerre Energy Corporation ("Questerre" or the "Company") (TSX,OSE:QEC) reported today that its investee company, Red Leaf Resources Inc. ("Red Leaf"), has improved its capitalization by redeeming substantially all of its outstanding preferred shares at a material discount to the face value.

Michael Binnion, President and Chief Executive Officer of Questerre, commented "We are very pleased the Management of Red Leaf was able to negotiate an agreement to provide the preferred shareholders with early liquidity." He added, "With a cleaner balance sheet, we are looking forward to Red Leaf advancing the EcoShale process that we plan to use for our oil shale project in Jordan."

Red Leaf recently concluded an agreement to redeem approximately 96% of its outstanding preferred shares at a discount of over 50% of the face value for total consideration of US$43 million. The agreement includes the resignation of all the Board nominees for the preferred shareholders. Furthermore, Red Leaf will also cancel approximately 4% of its issued common share capital.

Upon completion of this transaction, Red Leaf will have approximately US$30 million in cash, no debt and 398,972.10 common shares and 1,795 preferred shares outstanding. Red Leaf's principal assets are its proprietary process to produce oil from shale and its oil shale leases in the state of Utah. Post-closing, Questerre will hold 132,292.43 common shares, representing approximately 33% of the common shares and 288 preferred shares, representing 16% of the preferred shares outstanding.

Questerre Energy Corporation is an energy technology and innovation company. It is leveraging its expertise gained through early exposure to low permeability reservoirs to acquire significant high-quality resources. We believe we can successfully transition our energy portfolio. With new clean technologies and innovation to responsibly produce and use energy, we can sustain both human progress and our natural environment.

Questerre is a believer that the future success of the oil and gas industry depends on a balance of economics, environment and society. We are committed to being transparent and are respectful that the public must be part of making the important choices for our energy future.

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Advisory Regarding Forward-Looking Statements

This news release contains certain statements which constitute forward-looking statements or information ("forward-looking statements") including the Company's plans to use the EcoShale process for its oil shale project in Jordan. Although Questerre believes that the expectations reflected in our forward-looking statements are reasonable, our forward-looking statements have been based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information available to Questerre. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward-looking statements. As such, readers are cautioned not to place undue reliance on the forward-looking information, as no assurance can be provided as to future results, levels of activity or achievements. The risks, uncertainties, material assumptions and other factors that could affect actual results are discussed in our Annual Information Form and other documents available at www.sedar.com. Furthermore, the forward-looking statements contained in this document are made as of the date of this document and, except as required by applicable law, Questerre does not undertake any obligation to publicly update or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.