

December 1, 2015



## QS Energy, Inc. CEO Issues Letter to Shareholders

SANTA BARBARA, CA -- (Marketwired) -- 12/01/15 -- **QS Energy, Inc. (the "Company")** (OTCQX: QSEP), a developer of integrated technology solutions for the energy industry, today issued the following letter to shareholders.

To all QS Energy shareholders,

With the holidays upon us and 2015 winding down, I want to take this occasion to thank you, as well as our employees, Board Members, contractors, and especially the families that support the individual sacrifices and collective efforts of all involved. It is through your confidence and contributions that we have succeeded in moving our great company forward.

I am extremely pleased that today we are now in a more advantageous position than at any point in our history. Our commitment to a bifurcated strategy of acquiring undervalued assets while further optimizing our technologies has already opened up new horizons of opportunity, and will undoubtedly drive our expansion throughout 2016.

We will be making a number of watershed filings in the near-term to signal to our shareholders, the equity markets and institutional investors alike the reinvention of QS Energy as a diversified player within the industry. Today, we filed the first of these, an 8-K filing of our Business Plan and Executive Summary, both of which will serve as keystones of our drive to commercialize industrial solutions and to acquire undervalued assets that have the potential to generate bottom line revenue and significantly enhance shareholder value.

My goal during the past two years as CEO and Chairman has been to transform QS Energy from a pure-play industrial hardware developer into a thriving mid-market entity with a portfolio of revenue producing oil and gas assets held with joint venture partners. It is my belief that the unique market conditions of enormous upstream output worldwide, coupled with depressed commodity prices and overleveraged independent exploration and production entities, has created a perfect storm of opportunity for QS Energy.

Over the past several months I have been conferring with a broad spectrum of investment banks, equity funds and other leading firms specializing in energy sector capital markets. In presenting them with the opportunity to conduct business with us, we have gained their highest degree of interest and have seen our diversification and acquisition strategy strongly validated across the board. Due to our positioning, credibility and market focus, we are in the advantageous situation of picking and choosing among an impressive field of companies ready to provide financial resources to us at favorable terms.

To date we have identified target acquisitions and hope to complete our first transaction with one of them shortly, subject to our obtaining sufficient acquisition financing. Once the deal has been finalized, QS Energy will have entered a new phase as a profitable and sustainable corporate entity, with the resources and expertise necessary to capitalize on the

unique market conditions that only occur in a highly cyclical industry such as the energy sector.

We believe we are fortunate to have the twin operating platforms of QS Energy, Inc., and QS Energy Pool at this historic time within the world's largest and most capital-intensive industrial sector. With your help, hard work and valued contributions we will remain on course as we de-risk the Company, expand our opportunities and continue to enhance shareholder value.

As always, thank you for your commitment to our new initiatives and your unwavering support.

Until next time, live fearlessly and achieve greatness.

Regards,

Greggory M. Bigger  
Chief Executive Officer  
QS Energy, Inc.

For further information about QS Energy, Inc., visit [www.QSEnergy.com](http://www.QSEnergy.com), read our SEC filings at <https://ir.stockpr.com/qsenenergy/all-sec-filings> and subscribe to Email Alerts at <https://ir.stockpr.com/qsenenergy/email-alerts> to receive company news and shareholder updates.

Safe Harbor Statement:

Some of the statements in this release may constitute forward-looking statements under federal securities laws. Please visit the following link for our complete cautionary forward-looking statement: <http://www.QSEnergy.com/site-info/disclaimer>

***About QS Energy, Inc.***

QS Energy, Inc. (OTCQX: QSEP) provides the global energy industry with patent-protected industrial equipment designed to deliver measurable performance improvements to crude oil pipelines. Developed in partnership with leading crude oil production and transportation entities, QS Energy's high-value solutions address the enormous capacity inadequacies of domestic and overseas pipeline infrastructures that were designed and constructed prior to the current worldwide surge in oil production. In support of our clients' commitment to the responsible sourcing of energy and environmental stewardship, QS Energy combines scientific research with inventive problem solving to provide energy efficiency 'clean tech' solutions to bring new efficiencies and lower operational costs to the upstream, midstream and gathering sectors. More information is available at: [www.QSEnergy.com](http://www.QSEnergy.com).

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