

October 18, 2016



QS Energy Announces Increase in Commercial Deployment Opportunities for AOT Viscosity Reduction Technology Due to Ongoing Partnership with Temple University

SANTA BARBARA, CA -- (Marketwired) -- 10/18/16 --[QS Energy, Inc.](#) (the "Company") (OTCQB: QSEP), a developer of integrated technology solutions for the energy industry, today announced it has seen an expansion of opportunities for the commercialization of AOT (Applied Oil Technology) crude oil pipeline optimization system as a result of its Viscosity Reduction Laboratory Testing Program offered in collaboration with Temple University. Developed in partnership with Temple University and entirely fabricated in the United States, AOT is an industrial hardware system which lowers the viscosity of unrefined oil through the use of low wattage electrical fields (electrorheology) to improve flow while in transit via pipeline.

"Due to a higher volume of crude oil samples being submitted by producers and transporters for laboratory viscosity testing in the wake of last year's sharp drop in oil spot prices, we have experienced a surge in interest in potential deployment scenarios for AOT," stated Gregory M. Bigger, QS Energy Chief Executive Officer and Chairman. "Over the past three quarters we have been asked to table proposals for AOT systems for high volume commercial pipelines and offshore marine loading facilities. We attribute this increase in potential deployment opportunities to the excellence of the testing protocols at Temple University and the resultant precision of the AOT Case Study Analysis proposals we deliver to prospective customers."



Greggory M. Bigger
CEO and Chairman
QS Energy, Inc.

Laboratory testing of crude oil samples submitted by pipeline operators and petroleum producers has been jointly offered for several years by QS Energy and Temple University to the industry to determine potential viscosity reduction benchmarks and economic benefits for prospective customers based on the latest AOT performance capabilities. All tests are conducted under the supervision of Dr. Rongjia Tao, professor and chair of physics at Temple University and widely recognized as the leading expert in the use of electric and magnetic fields for industrial applications.

Since the development of the [value engineered next generation](#) AOT system in February 2016, numerous 3- to 5-gallon crude oil samples have been analyzed in the Temple

Department of Physics laboratory, providing data used for hydraulic analysis by QS Energy engineers which helps calculate potential flow volume increases, operational cost savings, and rate tariff income benefits.

"Our partnership with Temple University has been a valuable asset to our company and to the energy industry at large," Mr. Bigger stated. "Since we joined forces with Dr. Tao and Stephen G. Nappi in 2007 to explore the commercial applications of electrorheology to affect the mechanical behavior of hydrocarbons, together we have advanced the science of improving performance of crude oil pipelines and brought a high value technology to market. We could not be more pleased with the research and development involvement of their Department of Physics and the worldwide patents and licensing of AOT technology QS Energy shares with them solely and exclusively in perpetuity."

For further information about QS Energy, Inc., visit www.QSEnergy.com, read our SEC filings at <https://ir.stockpr.com/qsenergy/all-sec-filings> and subscribe to Email Alerts at <https://ir.stockpr.com/qsenergy/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 AOT™ (Applied Oil Technology)

Developed in partnership with scientists at Temple University in Philadelphia, AOT (Applied Oil Technology) is the energy industry's first crude oil pipeline flow improvement solution using an electrical charge to coalesce microscopic particles native to unrefined oil, thereby reducing viscosity. Over the past four years AOT has been rigorously prepared for commercial use with the collaboration of over 30 engineering teams at 19 independent oil production and transportation entities interested in harnessing its demonstrated efficacy to increase pipeline performance and flow, drive up committed and uncommitted toll rates for pipeline operators, and reduce pipeline operating costs. Although AOT originally attracted the attention of pipeline operators motivated to improving their takeaway capacity during an historic surge in upstream output resulting from enhanced oil recovery techniques, the technology now represents what we believe to be the premiere solution for improving the profit margins of producers and transporters during today's economically challenging period of low spot prices and supply surplus.

About QS Energy, Inc.

[QS Energy, Inc.](http://www.QSEnergy.com) (OTCQB: 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

Image Available:

http://www.marketwire.com/library/MwGo/2016/10/17/11G118339/Images/Greggory_M._Bigge309b17d434bd96e1ad12fe9c1f6dc29f.jpg

Company Contact

QS Energy, Inc.

Tel: +1 805 845-3581

E-mail: investor@QSEnergy.com

Investor Relations

QS Energy, Inc.

Tel: +1 805 845-3581

E-mail: investor@QSEnergy.com

Source: QS Energy, Inc.