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## QS Energy Provides Update on AOT Commercial Demonstration Project

**HOUSTON, TX / ACCESSWIRE / July 3, 2019** [/QS Energy, Inc.](#) (the "Company" or "QS Energy") (OTCQB: QSEP), a developer of integrated technology solutions for the energy industry, today provided an update on the Company's Applied Oil Technology (AOT) Commercial Demonstration Project.

In late June, the Company completed installation and commissioning of its AOT demonstration project located on a commercial pipeline in the southern United States. The project was installed within budget, quality compliant, and without safety incidents. However, upon energizing the unit, a problem was detected with the primary power supply. "During the commissioning sequence, we checked all the boxes," said Shannon Rasmussen, Vice President of Engineering. "We ran a normal pre-start safety review, electronic checkout, data acquisition signal verifications, and mechanical inspections. Under full crude oil flow, the system was confirmed to have no leaks and no environmental issues were noted. Data collected during the full-flow startup phase confirmed internal differential pressures to be negligible and consistent with design specifications. However, when we energized the unit and initiated a run-up to high-voltage operations, our primary power supply began to operate erratically and had to be taken offline. Subsequent inspection determined the primary power supply had failed."

Jason Lane, Chief Executive Officer and Chairman of the Board, commented, "Our team responded quickly to this short-term set-back. After removing the primary power supply, our engineers reconfigured the system to run off a secondary power supply. Although this unit was not capable of achieving target treatment voltage, we were able to perform limited testing and troubleshooting measures, after which the damaged power supply was shipped to the manufacturer for expedited repair and reconditioning. In terms of our timeline going forward, we expect to be back up and fully running in approximately 4-6 weeks, as we await repairs to be completed on the power supplies."

"In the meantime, Shannon Rasmussen and Dr. Christopher Gallagher have been working with oil samples pulled from the operating pipeline for testing at our Tomball laboratory facility. These tests are designed to confirm our target power requirements as accurately as possible and help us fine-tune enhancements planned for a new optimized AOT gridpack design we plan to test at the demonstration site as part of our continuing value engineering effort."

"I would like to express our gratitude to Dr. Gallagher, who recently joined our team and brings tremendous expertise in fluid dynamics. He has been invaluable helping advance both the field and lab work, as well as upgrades to optimize our system. Both Christopher and Shannon have worked tirelessly to ensure we are ready to launch with the recent enhancements, immediately upon receipt of the power supplies. We remain extremely encouraged by potential for the AOT system and look forward to providing further updates."

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

QS Energy's patented Applied Oil Technology (AOT) is a solid-state turn-key system which uses a high volt / low amp electric field to reduce crude oil viscosity. AOT installs inline on crude oil pipelines, operates unattended without interrupting pipeline flow, with full remote monitoring and control. More information is available online at [www.qsenergy.com/technology](http://www.qsenergy.com/technology).

### **About QS Energy**

QS Energy, Inc. (OTCQB: QSEP), develops and markets crude oil flow assurance technologies designed to deliver measurable performance improvements to pipeline operations in the midstream and upstream crude oil markets. More information is available at [www.qsenergy.com](http://www.qsenergy.com).

### **Company Contact:**

QS Energy, Inc.  
Tel: +1 844-645-7737  
E-mail: [investor@qsenergy.com](mailto:investor@qsenergy.com)  
Sales: [sales@qsenergy.com](mailto:sales@qsenergy.com)

### **Investor Relations:**

Crescendo Communications, LLC  
Tel: +1 212-671-1021  
E-mail: [investor@qsenergy.com](mailto:investor@qsenergy.com)

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