



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 efficient "clean tech" solutions to bring new efficiencies and lower operational costs to the upstream, midstream and gathering sectors.

The Company's intellectual property portfolio currently includes 48 domestic and international patents and patents pending, which have been developed in conjunction with Temple University. QS Energy has an exclusive licensing agreement, in perpetuity, with Temple. QS Energy is the developer of two types of patent-protected industrial equipment designed to deliver measurable performance improvements to crude oil pipelines. QS Energy's flagship product AOT™ (Applied Oil Technology) reduces the viscosity of oil by applying an high intensity electrical field to the feedstock, allowing pipelines to operate at a lower pressure and transport crude oil more efficiently. Joule Heat is an energy-efficient crude oil heating technology, also based on the direct application of electricity to oil, which improves flow and pipeline performance with less power and in a smaller form factor than existing trace heating solutions.

Through its wholly owned subsidiary, QS Energy Pool, QS Energy looks to make accretive acquisitions of complementary entities or product lines in the oil & gas sector. Effective August 11, 2015, Save The World Air, Inc. changed its name to QS Energy, Inc., with a new trading symbol "QSEP." This new name — QS Energy — embodies the Company's "quick strike" philosophy, which is fundamentally at the core of its value proposition as it executes on parallel growth strategies within the global oil & gas sector.

QS ENERGY HEADQUARTERS

735 STATE ST. #500
SANTA BARBARA, CA
93101

805.845.3581

WWW.QSENERGY.COM

INDUSTRY CLASS SECTOR:

INDUSTRIAL GOODS

INDUSTRY:

INDUSTRIAL EQUIPMENT
& COMPONENTS

OTCQX: QSEP

CONTACT

INVESTOR@QSENERGY.COM



TARGET MARKET

U.S. and global energy production has accelerated rapidly due to new technologies that allow for access to previously unrecoverable assets. This in turn is driving unprecedented upstream production. ‘Tight oil’ being recovered from a growing number of shale formations in plays such as the Eagle Ford, Permian, Bakken and Marcellus formations has surpassed existing industry pipeline capacity largely constructed in the 1970s, and as long ago as the early 1900s.

This has forced producers to utilize more costly and less efficient transport alternatives, leading to massive growth in rail and highway traffic and creating logistical, environmental and safety challenges, as well as higher operational expenses and significant liability exposure. As producers seek to bring surging production to market, new technologies and methodologies are being developed to eliminate pipeline chokepoints and solve related problems that have far-reaching economic, national security and public safety implications. By combining scientific research with innovative engineering, QS Energy is ideally positioned to address the operational challenges facing today’s energy industry.



TECHNOLOGY

QS Energy Solutions

- AOT — Applied Oil Technology
- Joule Heat

AOT — Applied Oil Technology

AOT is the result of a multi-year research and development program conducted at Temple University with extensive design, fabrication and testing protocols involving over a dozen leading companies within the energy industry. Harnessing the principles of electrorheology, the application of a high strength, high intensity electrical field to change the mechanical behavior of fluids, the AOT system decreases the viscosity of crude oil by causing particulate matter such as paraffin, asphaltene and other impurities to clump together, reducing their surface volume.

Dr. Rongjia Tao, chairman of Temple University’s Physics Department and a leading expert in the study of electro-rheological fluids and magnetorheological suspension, is co-developer of the proprietary AOT viscosity reduction technology and has supervised laboratory testing of hundreds of petroleum samples, ranging from heavy bitumen to super-light condensates, in order to prove its efficacy.



AOT delivers viscosity reduction by coagulating particulate matter found in crude oil into nanoscale particle clusters. By aggregating these particles their total surface area is minimized, lessening their friction drag against the rest of the bulk fluid.

AOT Benefits

By significantly reducing viscosity on a wide spectrum of crude oils, AOT delivers a variety of measurable operational efficiencies:

- Increases maximum flow rates
- Reduces operating pressure
- Optimizes flow volume for many grades of crude, increasing toll rate revenues
- Improves takeaway capacity and minimizes bottlenecks
- Reduces pump station power consumption and CO2 emissions
- 100% solid-state construction for maximum uptime with minimal maintenance
- Provides opportunity for carbon credit and carbon tax benefits through decreased emissions and improved energy efficiencies
- Reduces pour point temperature
- Reduces wear and tear of pipeline equipment
- Increases safety margin

AOT has been inspected, certified, and approved to meet or exceed the specifications and quality control requirements of all applicable industrial testing and certification laboratories, leading midstream producers, and transportation entities, and has been deployed on high-volume pipelines.

Clean Technology, Green Benefits

The use of carbon credits and carbon tax incentives is growing in importance within the industry, providing a positive financial impact for companies deploying “cleantech” equipment such as AOT. By improving operational efficiencies and measurably reducing their carbon footprint, energy companies stand to benefit from each ton of CO2 (carbon dioxide) or CO2e (carbon dioxide equivalent gases) they remove or prevent from entering the atmosphere.

QS Energy’s proprietary hydraulic analysis software provides global producers and transporters of crude with highly accurate projections, as well as full case study analyses, of the pipeline assets they can capture by implementing the AOT solution in their operations.

AOT Performance Highlights

- Reduce operational expenses and decrease pipeline pressures
- Increase the total flow volume per day of an existing asset by 10 to 15 percent
- In certain instances, “de-bottleneck” a pipeline choke point

AOT AT A GLANCE

- QS Energy’s AOT technology significantly decreases viscosity.
- AOT seamlessly integrates with existing pump stations.
- Each AOT vessel is 33 ft x 8 ft x 8 ft, and weighs approximately 20 tons, excluding headers.
- Each AOT unit can handle up to 5,000 gallons per minute (gpm).



Joule Heat

Joule Heat is a new generation of pipeline heating technology configured to deliver maximum heat conductivity by making direct contact with feedstock within the apparatus, an ASME-code pressure vessel, providing better performance at a lower operating cost. Developed by QS Energy and fabricated and assembled entirely in the United States, Joule Heat treats a wide spectrum of feedstock and is designed to withstand extreme weather conditions. It is electrically powered, compact and adaptable to a variety of environments, from pipelines and oil fields to marine, rail and truck offloading facilities.



How Joule Heat Works

Joule Heat is an electrically powered crude oil heating technology specifically developed for use on pipelines and within offloading facilities, and potentially for refineries. Joule Heat subjects the oil to a direct and intense electric field that increases temperature uniformly without interrupting flow. Preliminary testing of Joule Heat suggests efficiencies of over 60% when converting electrical energy into internal energy in oil, compared to efficiencies of approximately 30% typical in trace heat systems.

Innovative Heat Solutions for Today's Leaner, Sustainable Energy Industry

Joule Heat provides E&P entities, pipeline operators and rail, marine and truck offload facilities with a new class of heat treatment options. With a smaller form factor than trace heating systems, offering virtually unlimited configuration options, Joule Heat is a plug and deploy system, requiring only in-flow and out-flow piping and access to a standard electrical wall outlet.

Joule Heat is highly configurable to a variety of applications and can be modified to your exacting specifications.



PRODUCT PIPELINE (RESEARCH & DEVELOPMENT)

Additional Applications for AOT

Based on intensive analysis of the needs of tier-one oil producers and pipeline transportation companies throughout the world, QS Energy has determined that AOT offers a broad spectrum of pipeline optimization applications. In addition, applications for use beyond increasing oil flow speeds are also in development. QS Energy plans to build a portfolio of solutions consisting of alternate applications for AOT technology, as well as additional solutions for use within related capital-intensive distribution and transportation networks.

Areas in which the company believes that the AOT Viscosity Reduction System may have applications:

E&P

- Dewatering facilities
- Gathering systems
- Emulsion separation

Cargo Ships (VLCC)

- Accelerated onload/offload time
- Bunker fuel enhanced combustion

Offshore

- Cold environments
- Hydrates
- Paraffin deposits

Joule Heat Development Path and Market Need

The primary motivation of our research and development for providing innovative heat solutions to the upstream oil sector was a direct result of lengthy discussions with E&P entities, pipeline operators and state government officials that centered on the inefficiencies of existing heat technologies. State agencies in most oil-producing regions of the nation are scrutinizing activities such as drilling, flaring and the transport of oil because they contribute significantly to CO₂ emissions.

In an effort to mitigate the problem, various mandates and incentives are being introduced for reducing Greenhouse Gas through cooperative efforts between industry and state/federal government agencies such as detailed in the 'Greenhouse Gas Reduction Strategies in Utah: An Economic and Policy Analysis' report issued by the Utah Department of Natural Resources Office of Energy and Resource Planning. As field tests further prove the efficacy of AOT and Joule Heat to reduce the amount of energy required to operate pumping stations, improve flow and move feedstock more efficiently through pipelines, we expect their value to be recognized in the context of these GHG mitigation strategies.



INVESTMENT HIGHLIGHTS

- **Rapidly expanding target market:** An estimated \$200 billion to be spent by 2035 (U.S. Dept. of Energy estimates) in midstream and downstream infrastructure to support the projected increase in global energy production.
- **Broad industry application:** QS Energy solutions target the primary sectors of the oil & gas market (in order of greatest sales potential) — upstream (producers), midstream (transporters) and downstream (refiners).
- **Cleantech positioning:** Cost efficient, green (reduced carbon footprint) solution for increasing the transportation rate for oil and gas.
- **Valuable IP:** Strong patent protection (48 patents or patents pending), proprietary technology licensed from Temple University and technical expertise provide a several year competitive technology lead.
- **Proven ability to execute:**
 - Successfully completed the first commercial installation of 110 tons of AOT commercial equipment for one of the largest pipeline companies in North America.
 - Successfully completed second commercial installation of 17.5 tons of AOT commercial equipment with a major midstream operator on a primary crude and condensate pipeline serving the Eagle Ford in South Texas.
- QS Energy’s industry-certified technology meets multinational quality control inspection standards.
- Established relationships with distributors in proven and emerging shale oil production regions.
- **Strong growth potential:** Significant expansion opportunities to deploy AOT and other QS Energy-developed technologies within similar and related capital-intensive distribution and transportation networks on a global scale.
- **Approved vendor status:** Strong existing relationships and ongoing collaboration with tier-one multinational oil producers and pipeline transportation companies presents the opportunity to introduce additional technology solutions into the industry going forward.
- **M&A Strategy:** In addition to its continued focus on its technology offerings, QS Energy has recently enacted a strategy of acquiring accretive and synergistic, undervalued industry assets through its wholly-owned subsidiary, QS Energy Pool.



MANAGEMENT TEAM

GREGG BIGGER

Chairman of the Board and Chief Executive Officer

Gregg Bigger most recently was Founding Partner of Rocfin Advisors, a strategic management consulting firm that provided advice and direction to companies in the energy, cleantech, and emerging technology markets.

Mr. Bigger was also previously Founder and Board Member of The Bank of Santa Barbara. Earlier in his career Mr. Bigger held a variety of key management and leadership positions including serving as Vice President in the Private Client Group of U.S. Trust and First Republic Bank. Mr. Bigger served in the United States Marine Corps Special Operations Unit.

MICHAEL MCMULLEN

Controller

During his career in corporate development and finance, Mr. McMullen has established a strong record of accomplishment, structuring and closing domestic and international transactions across a variety of industries. Prior to joining QS Energy, Mr. McMullen served in senior executive capacities with several first-to-market energy and technology companies, including FloWind Corp. and SomethingNow Inc. As a management consultant and financial advisor to mid-market healthcare and bio-science entities, Mr. McMullen specialized in providing growth and transition management oversight to companies serving HMOs, hospitals and cancer centers.

BILL NICHOLSON

Advisor, QS Energy Pool

Bill Nicholson has a long track record of success as a senior executive in private and publicly traded companies in the energy industry, and the consumer products and technology sectors. From 1984 to 1992 Mr. Nicholson served as Chief Operating Officer of Amway Corp. during a period of extreme growth which saw revenues jump from \$1.5 billion to \$5 billion. As an advisor and investor, Mr. Nicholson has consulted with the IMR Fund, Jacob's Trading Company, FLW Outdoors, and was a principle investor and president of Swiftships, Inc., a firm that became the leading manufacturer of high-speed aluminum watercrafts used for marine patrol and offshore oil field support. As both an investor and general partner he has been active in natural gas exploration in the North Texas Barnett Shale, drilling 20 horizontal deep

gas wells and owning and operating eight vessels and two ocean-going work barges in support of offshore oil and gas production in the Persian Gulf, Gulf of Mexico, the California Coast and the India Ocean. As a captain in the U.S. Air Force, Mr. Nicholson has 300 combat missions to his credit and is the recipient of the Distinguished Flying Cross, Air Medal, Vietnamese Medal of Honor and Cross of Gallantry.

SCOTT Y. WOOD

Advisor, QS Energy Pool

Scott Wood has three decades of well-to-refinery experience in the energy industry, providing oversight of oil and gas properties in many of the industry's most active shale formations and basins. Mr. Wood's career began in 1981 as a Petroleum Landman at Liberty Oil and Gas in Oklahoma City, prior to his venturing out to develop oil and gas projects. In 1991 he formed Energy Reserves Group, LLC, an E&P company based in Galveston Bay, Texas. As general manager, Mr. Wood oversaw a series of acquisitions and divestitures including Plains Illinois Inc. which were consolidated into ERG Resources, L.L.C.

NON-EXECUTIVE BOARD MEMBERS

CHARLES R. BLUM

Charles R. Blum served as President and Chief Executive Officer of QS Energy from 2010 to 2012. His career includes 22 years as the President and CEO of the trade group Specialty Equipment Market Association (SEMA), which serves 6,500 manufacturers and distributors of automotive parts and accessories. SEMA hosts the world's largest automotive aftermarket trade show and under Mr. Blum's leadership it grew from a small number of entrepreneurial companies to membership that sells more than \$31 million annually in retail automotive products. Mr. Blum attended Rutgers University.

NATHAN SHELTON

Nathan Shelton was President and part owner of K&N Engineering where he oversaw its growth into an industry leader. After selling his interest in 2002, he founded S&S Marketing, which operates an automotive aftermarket parts rep business. Mr. Shelton served on the board of Specialty Equipment Market Association (SEMA), including serving as its Chairman from 2002 to 2004. In 2007, Mr. Shelton was elected to the SEMA "Hall of Fame," and is the recipient of numerous industry awards. He served honorably in the United States Seabees from 1968 to 1972.

MARK STUBBS

Mr. Stubbs currently serves as Chief Financial Officer for London Stock Exchange-listed BBA Aviation in its Aftermarket Services Division. BBA is a leading global aviation services and aftermarket support provider. Prior to joining BBA, Mr. Stubbs served as CFO and Interim Chief Executive Officer for then NASDAQ-listed CallWave, Inc., a global provider of enhanced telecommunications software and services. Mr. Stubbs also served as CFO of Sound ID, a privately owned consumer electronics company. Mr. Stubbs has held a number of executive positions including Vice President Global Supply Chain, and VP and Managing Director Europe, Middle East and Africa at Somera, which was a publicly traded, leading global provider of telecommunications infrastructure and services. Mr. Stubbs has held a number of financial management positions at Kinko's (acquired by NYSE-listed FedEx). He earned his B.A. in Finance and his MBA from Cal Poly San Luis Obispo. Mr. Stubbs is a Certified Public Accountant.

DON DICKSON

Mr. Dickson returned to Kinder Morgan after working for the company's natural gas operations division for 26 years, during which time he served in various capacities including Director of Operations on two major pipeline projects: the 42" Rockies Express (REX) and the 42" Midcontinent Express Pipeline (MEP). Between his stints at Kinder Morgan, Mr. Dixon served as Chief Executive Officer for Advanced Pipeline Services (APS), which provided a full range of services to the oil and gas industry including new pipeline and facilities construction, horizontal directional drilling and pipeline integrity/ rehabilitation. He also was Director of Operations at Tetra Resources, where he completed various onshore and offshore oil and gas wells, and was a Senior Engineer with Halliburton Services. Mr. Dickson earned his B.S. in Engineering from Oklahoma State University.

THOMAS A. BUNDROS

During his extensive career in the energy industry, Mr. Bundros served as Chief Financial Officer at Colonial Pipeline Company, the world's largest pipeline operator, and has also held various financial positions with Southern Company System, the 16th largest utility company in the world and the fourth largest in the U.S. Currently Mr. Bundros holds the post of Chief Operations Officer for Dalton Utilities, a provider of electricity, natural gas, water and telecommunications services. He earned his Master of Business Administration in Finance and Bachelor of Science in Economics and Business Administration at the University of North Carolina at Greensboro.