

## **OMNITEK ENGINEERING REPORTS THIRD QUARTER AND NINE-MONTH RESULTS**

VISTA, CA — November 10, 2016 — Omnitek Engineering Corp. (OTCQB: OMTK) today announced results for its third quarter and nine months ended September 30, 2016 – reflecting an order backlog of approximately \$226,000 and the commencement of a development contract for a 450hp EURO 6 13-liter natural gas engine for Class 8 trucks after the quarter end.

Net revenues for the third quarter were \$355,050 compared with \$438,178 from a year earlier – reflecting the timing of shipments and product mix on a year-over-year basis. For the same period, the company reported a net loss of \$217,909, or \$0.01 per share, compared with a net loss of \$271,972, or \$0.01 per share, a year earlier.

Net revenues for the nine-month period were \$946,948 compared with \$1.48 million a year ago -- reflecting the timing of shipments and product mix on a year-over-year basis. For the same period, the company reported a net loss of \$707,592, or \$0.04 per share, compared with a net loss of \$677,414, or \$0.03 per share, a year earlier.

Gross margin for the quarter ended September 30, 2016 was 43 percent compared with 44 percent a year earlier. Gross margin for the nine months was 45 percent compared with 48 percent a year earlier, both within the company’s normalized target range of 40 to 50 percent.

“We remain confident that the domestic shift to natural gas will continue as large domestic trucking fleet operators focus on the environment, the availability of our natural gas “drop-in” engines and the company’s extensive lineup of EPA-approved conversion kits. Equally important, our business in Mexico, Europe and Asia is continuing its expansion – supported by a global focus on environmental and economic considerations,” said Werner Funk, president and chief executive officer of Omnitek Engineering Corp.

The company’s previously announced evaluation programs for two large North American fleet customers are proceeding as planned. “We remain optimistic that the programs will be enlarged to address a larger portion of the fleet vehicles, and we look forward to announcing further details and developments in cooperation and with the approval of our customers,” Funk said.

(more)

At September 30, 2016, current liabilities totaled \$684,127 and current assets totaled \$2.1 million, resulting in positive working capital of approximately \$1.4 million and a current ratio of 3.00 to 1. The company's total assets at September 30, 2016 were \$2.1 million.

Funk emphasized, despite lower oil prices which he expects will begin to increase, the cost for a diesel truck engine conversion can be recouped within a one-to-two-year period, particularly in foreign markets where taxes are particularly higher than in the domestic market. Conversion costs also benefit when the process is performed during a regularly scheduled engine overhaul.

#### **About Omnitek Engineering Corp.**

Omnitek Engineering Corp. develops and sells new natural gas engines, as well as proprietary diesel-to-natural gas conversion systems -- providing global customers with innovative alternative energy and emissions control solutions that are sustainable and affordable. Additional information is available at [www.omintekcorp.com](http://www.omintekcorp.com).

*Some of the statements contained in this news release discuss future expectations, contain projections of results of operations or financial condition or state other "forward-looking" information. These statements are subject to known and unknown risks, uncertainties, and other factors that could cause the actual results to differ materially from those contemplated by the statements. The forward-looking information is based on various factors and is derived using numerous assumptions. Important factors that may cause actual results to differ from projections include, among many others, the ability of the Company to raise sufficient capital to meet operating requirements, completion of R&D and successful commercialization of products/services, patent completion, prosecution and defense against well-capitalized competitors. These are serious risks and there is no assurance that our forward-looking statements will occur or prove to be accurate. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," and variations of such words and similar expressions are intended to identify such forward-looking statements. Unless required by law, the Company undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.*

(Financial Tables Follow)

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**OMNITEK ENGINEERING CORP.**  
Condensed Statements of Operations (unaudited)

	For the Three Months Ended September 30 <u>2016</u>	For the Three Months Ended September 30 <u>2015</u>	For the Nine Months Ended September 30 <u>2016</u>	For the Nine Months Ended September 30 <u>2015</u>
REVENUES	\$ 355,050	\$ 438,178	\$ 946,948	\$ 1,480,063
COST OF GOODS SOLD	<u>200,894</u>	<u>245,419</u>	<u>521,387</u>	<u>766,067</u>
GROSS MARGIN	154,156	192,759	425,561	713,996
OPERATING EXPENSES				
General and administrative	306,535	385,209	960,789	1,133,102
Research and development expense	57,402	71,962	151,706	238,201
Depreciation and amortization expense	<u>6,617</u>	<u>7,526</u>	<u>21,081</u>	<u>23,050</u>
Total Operating Expenses	<u>370,554</u>	<u>464,697</u>	<u>1,133,576</u>	<u>1,394,353</u>
LOSS FROM OPERATIONS	<u>(216,398)</u>	<u>(271,938)</u>	<u>(708,015)</u>	<u>(680,357)</u>
OTHER INCOME (EXPENSE)				
Other income	200	-	5,574	3,934
Interest expense	(1,711)	(40)	(4,351)	(212)
Interest income	<u>-</u>	<u>6</u>	<u>-</u>	<u>21</u>
Total Other Income (Expense)	<u>(1,511)</u>	<u>(34)</u>	<u>1,223</u>	<u>3,743</u>
LOSS BEFORE INCOME TAXES	(217,909)	(271,972)	(706,792)	(676,614)
INCOME TAX EXPENSE	<u>-</u>	<u>-</u>	<u>800</u>	<u>800</u>
NET LOSS	<u>\$ (217,909)</u>	<u>\$ (271,972)</u>	<u>\$ (707,592)</u>	<u>\$ (677,414)</u>
BASIC AND DILUTED LOSS PER SHARE	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.04)</u>	<u>\$ (0.03)</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING BASIC AND DILUTED				
	<u>20,273,473</u>	<u>19,981,082</u>	<u>20,095,681</u>	<u>19,980,934</u>

# OMNITEK ENGINEERING CORP.

## Condensed Balance Sheet ASSETS

	September 30, 2016	December 31, 2015
	(unaudited)	
<b>CURRENT ASSETS</b>		
Cash	\$ 6,805	\$ 105,846
Accounts receivable, net	31,913	30,835
Accounts receivable - related parties	3,375	17,257
Inventory, net	1,995,384	2,107,463
Prepaid expense	5,324	6,050
Cost in excess of billings	21,242	-
Deposits	31,694	19,745
	<u>2,095,737</u>	<u>2,287,196</u>
<b>Total Current Assets</b>		
	<u>38,351</u>	<u>59,151</u>
<b>FIXED ASSETS, net</b>		
<b>OTHER ASSETS</b>		
Intellectual property, net	-	281
Other noncurrent assets	-	14,280
	<u>-</u>	<u>14,280</u>
<b>Total Other Assets</b>		
	<u>-</u>	<u>14,561</u>
<b>TOTAL ASSETS</b>	<u>\$ 2,134,088</u>	<u>\$ 2,360,908</u>

## LIABILITIES AND STOCKHOLDERS' EQUITY

<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 340,837	\$ 145,207
Accrued management compensation	213,875	189,163
Accounts payable – related parties	10,519	7,591
Customer deposits	118,896	230,349
	<u>684,127</u>	<u>572,310</u>
<b>Total Current Liabilities</b>		
	<u>684,127</u>	<u>572,310</u>
<b>Total Liabilities</b>		
	<u>684,127</u>	<u>572,310</u>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock, 125,000,000 shares authorized no par value 19,779,582 and 19,759,582 shares issued and outstanding, respectively	8,411,411	8,291,411
Additional paid-in capital	11,595,554	11,346,599
Accumulated deficit	(18,557,004)	(17,849,412)
	<u>1,449,961</u>	<u>1,788,598</u>
<b>Total Stockholders' Equity</b>		
	<u>1,449,961</u>	<u>1,788,598</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>\$ 2,134,088</u>	<u>\$ 2,360,908</u>