

OMNITEK ENGINEERING CORP. REPORTS SECOND QUARTER RESULTS

-- Revenues Up 95.5 Percent for Quarter; Strong Second Half Anticipated --

VISTA, CA — August 10, 2015 — Omnitek Engineering Corp. (OTCQB: OMTK) today reported results for its second quarter and six months ended June 30, 2015 – reflecting strong revenue gains for the quarter and six months, margin expansion and a significantly reduced net loss for both periods.

Revenues for the second quarter increased 95.5 percent to \$591,185 from \$302,385 a year earlier, reflecting higher filter sales and diesel-to-natural gas engine conversion kit shipments. For the same period in 2015, the company reported a sharply reduced net loss of \$168,280, or \$0.01 per share, compared with a net loss of \$459,509, or \$0.02 per share, a year earlier, reflecting higher sales combined with lower operating expenses.

Results for the three months ended June 30, 2015 reflect the impact of non-cash expenses, including the value of options and warrants granted in the amount of \$53,486 and depreciation and amortization of \$7,734. For the three month period a year earlier, non-cash expenses for the value of options and warrants granted were \$45,822, with depreciation and amortization of \$14,834.

Revenues for the six-month period were \$1,041,885 compared with \$622,759 a year ago. For the same period, the company reported a sharply reduced net loss of \$405,442, or \$0.02 per share, compared with a net loss of \$877,314, or \$0.04 per share, a year earlier.

Results for the six months ended June 30, 2015 reflect the impact of non-cash expenses, including the value of options and warrants granted in the amount of \$87,089 and depreciation and amortization of \$15,524. For the six-month period a year earlier, non-cash expenses for the value of options and warrants granted were \$91,141 and depreciation and amortization of \$29,902.

Gross margin for the quarter ended June 30, 2015 was \$322,181 compared with \$105,374 a year ago. Gross margin for the quarter as a percentage of sales was 54 percent compared with 35 percent in the same period a year ago, primarily reflecting sales volume and product mix.

Gross margin for the six-months ended June 30, 2015 was \$521,237 compared with \$230,697 a year earlier. Gross margin for the six-month period as a percentage of sales was 50 percent compared with 37 percent in the same period a year ago, primarily reflecting sales volume and product mix.

“The company’s sales performance continued to gain momentum in the second quarter, and we expect meaningful growth in the second half of 2015 -- supported by foreign market sales activity,

(more)

particularly Europe and Mexico, as well as anticipated contributions from certain key domestic large fleet projects," said Werner Funk, president and chief executive officer of Omnitek Engineering Corp.

The company's order backlog at June 30, 2015 was approximately \$440,000.

He emphasized that the cost for a diesel truck engine conversion can be recouped within a one-to-two year period, even with current low oil prices. This is particularly true in European countries, which are essentially unaffected by lower oil prices due to the high fuel tax component. He noted that a high price delta between diesel and natural gas can result in a payback period as short as six months.

At June 30, 2015, the company's total current assets were \$2,813,881 and total current liabilities were \$650,442 -- resulting in positive working capital of \$2,252,255 and a current ratio of 4.33 to 1.

About Omnitek Engineering Corp.

Omnitek Engineering Corp. develops and sells proprietary diesel-to-natural gas engine conversion systems and complementary products, including new natural gas engines that utilize the company's technology -- providing global customers with innovative alternative energy and emissions control solutions that are sustainable and affordable.

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 CORPORATION
Consolidated Statement of Operations
(unaudited)

	For the Three Months Ended June 30, <u>2015</u>	For the Three Months Ended June 30, <u>2014</u>	For the Six Months Ended June 30, <u>2015</u>	For the Six Months Ended June 30, <u>2014</u>
REVENUES	\$ 591,185	\$ 302,385	\$ 1,041,885	\$ 622,759
COST OF GOODS SOLD	<u>269,003</u>	<u>197,011</u>	<u>520,648</u>	<u>392,062</u>
GROSS MARGIN	322,181	53,374	521,237	230,697
OPERATING EXPENSES				
General and administrative	396,841	433,083	747,893	877,604
Research and development expense	89,655	135,399	166,239	239,159
Depreciation and amortization expense	<u>7,734</u>	<u>14,834</u>	<u>15,524</u>	<u>29,902</u>
Total Operating Expenses	<u>494,230</u>	<u>583,316</u>	<u>929,656</u>	<u>1,146,665</u>
LOSS FROM OPERATIONS	<u>(172,048)</u>	<u>(477,942)</u>	<u>(408,419)</u>	<u>(915,968)</u>
OTHER INCOME (EXPENSE)				
Investment income, net	3,934	12,921	3,934	12,921
Interest expense	(172)	-	(172)	-
Interest income	<u>6</u>	<u>5,512</u>	<u>15</u>	<u>26,533</u>
Total Other Income (Expense)	<u>3,768</u>	<u>18,433</u>	<u>3,777</u>	<u>39,454</u>
LOSS BEFORE INCOME TAXES	(168,280)	(459,509)	(404,642)	(876,514)
INCOME TAX EXPENSE	<u>-</u>	<u>-</u>	<u>800</u>	<u>800</u>
NET LOSS	<u>\$ (168,280)</u>	<u>\$ (459,509)</u>	<u>\$ (405,442)</u>	<u>\$ (877,314)</u>
BASIC AND DILUTED INCOME (LOSS) PER SHARE	<u>\$ (0.01)</u>	<u>\$ (0.02)</u>	<u>\$ (0.02)</u>	<u>\$ (0.04)</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	<u>19,981,082</u>	<u>19,762,897</u>	<u>19,981,858</u>	<u>19,762,897</u>

OMNITEK ENGINEERING CORPORATION
Consolidated Balance Sheet

ASSETS

	June 30, 2015 <u>(unaudited)</u>	December 31, 2014 <u>(audited)</u>
CURRENT ASSETS		
Cash	\$ 350,351	\$ 498,782
Accounts receivable, net	93,133	56,059
Accounts receivable - related parties	17,723	15,092
Inventory, net	2,215,859	2,333,781
Prepaid expense	6,050	4,200
Deposits	130,765	92,779
 Total Current Assets	 <u>2,813,881</u>	 <u>3,000,693</u>
 FIXED ASSETS, net	 <u>73,934</u>	 <u>88,715</u>
OTHER ASSETS		
Intellectual property, net	602	1,345
Other noncurrent assets	14,280	14,280
 Total Other Assets	 <u>14,882</u>	 <u>15,625</u>
 TOTAL ASSETS	 <u>\$ 2,902,697</u>	 <u>\$ 3,105,033</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 111,043	\$ 84,385
Accrued management compensation	131,567	102,096
Accounts payable - related parties	7,096	3,600
Customer deposits	400,736	345,844
 Total Current Liabilities	 <u>650,442</u>	 <u>535,925</u>
 Total Liabilities	 <u>650,442</u>	 <u>535,925</u>
STOCKHOLDERS' EQUITY		
Common stock, 125,000,000 shares authorized no par value 19,819,082 and 19,959,582 shares issued and outstanding, Respectively	8,291,411	8,289,911
Additional paid-in capital	11,208,591	11,121,502
Accumulated deficit	<u>(17,247,747)</u>	<u>(16,842,305)</u>
 Total Stockholders' Equity	 <u>2,252,255</u>	 <u>2,569,108</u>
 TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	 <u>\$ 2,902,697</u>	 <u>\$ 3,105,033</u>