

**OMNITEK ENGINEERING CORPORATION REPORTS FOURTH QUARTER
AND YEAR-END RESULTS**

-- Demand for Diesel-to-Natural Gas Engine Conversions Remains Strong --

SAN MARCOS, CA — March 22, 2011 — Omnitek Engineering Corporation

(OTCQB: OMTK) today reported a 31 percent increase in revenues for its year ended December 31, 2010, supported by continued strong demand for its diesel-to-natural gas conversion systems, particularly in developing overseas markets, and the company's high-pressure natural gas filter.

Net revenues for the fourth quarter increased 27 percent to \$556, 930 from \$439,509 a year earlier. For the same period, the company reported a reduced net loss of \$417,181, or \$0.03 per share, compared with a net loss of \$918,511, or \$0.06 per share, a year ago.

Net revenues for the twelve-month period climbed 31 percent to \$1.73 million from \$1.32 million in the same period a year ago. For the same period, the company reported a reduced net loss of \$1.15 million, or \$0.07 per share, compared with a net loss of \$1.35 million, or \$0.08 per share, a year earlier.

The company achieved positive cash flow from operations of \$40,111 for the year ended December 31, 2010 compared with negative cash flow of \$60,163 during the year ended December 31, 2009.

Results for the year were impacted by increased operating expenses, particularly a non-cash charge for stock options of \$637,813 and increased accounting and legal expenses associated with Omnitek becoming a public reporting company under the Securities Exchange Act of 1934 in late July.

Gross margin for the full-year was \$578,537 compared with \$391,969 a year ago. Gross margin as a percentage of sales for the same period was 33 percent compared with 30 percent last year.

“Global demand for converting high-polluting diesel powered engines to operate on natural gas continues to benefit from increased crude oil prices. We anticipate strong sales momentum for the balance of 2011, and look forward to a more favorable domestic regulatory environment to support the significant opportunities for our technology in the United States,” said Werner Funk, president and chief executive officer of Omnitek Engineering Corporation.

He highlighted two recent corporate developments in emerging markets designed to bolster growth overseas, including agreements in India and Indonesia focused on marketing and installing Omnitek's diesel-to-natural gas conversions kits for truck and bus applications.

About Omnitek Engineering Corporation

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, affordable and designed to combat global warming.

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 Income

	For the Three Months Ended December 31, <u>2010</u>	For the Three Months Ended December 31, <u>2009</u>	For the Twelve Months Ended December 31, <u>2010</u>	For the Twelve Months Ended December 31, <u>2009</u>
REVENUES	\$ 556,930	\$ 439,509	\$ 1,733,303	\$ 1,325,757
COST OF GOODS SOLD	<u>540,014</u>	<u>447,987</u>	<u>1,154,766</u>	<u>933,788</u>
GROSS MARGIN	16,916	(8,478)	578,537	391,969
OPERATING EXPENSES				
General and administrative	386,398	296,611	1,498,461	928,089
Bad debt expense	878	42,522	878	42,522
Research and development expense	31,594	139,711	133,302	329,881
Depreciation and amortization expense	<u>25,794</u>	<u>24,062</u>	<u>93,711</u>	<u>96,853</u>
Total Operating Expenses	<u>444,664</u>	<u>502,906</u>	<u>1,726,352</u>	<u>1,397,345</u>
INCOME (LOSS) FROM OPERATIONS	<u>(427,748)</u>	<u>(511,384)</u>	<u>(1,147,815)</u>	<u>(1,005,376)</u>
OTHER INCOME (EXPENSE)				
Other income		-	-	69,022
Interest expense	15,630	(8,333)	(6,829)	(26,812)
Interest income	<u>(5,063)</u>	<u>4,530</u>	<u>2</u>	<u>9,595</u>
TOTAL OTHER INCOME (EXPENSE)	<u>10,567</u>	<u>(3,803)</u>	<u>(6,827)</u>	<u>51,805</u>
NET INCOME (LOSS) BEFORE INCOME TAXES	(417,181)	(515,187)	(1,154,642)	(953,571)
INCOME TAX EXPENSE	<u>-</u>	<u>(403,324)</u>	<u>(800)</u>	<u>(404,124)</u>
NET INCOME (LOSS)	<u>\$ (417,181)</u>	<u>\$ (918,511)</u>	<u>\$ (1,155,442)</u>	<u>\$ (1,357,695)</u>
BASIC INCOME (LOSS) PER SHARE				
	<u>\$ (0.03)</u>	<u>\$ (0.06)</u>	<u>\$ (0.07)</u>	<u>\$ (0.08)</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING				
	<u>15,592,640</u>	<u>16,008,846</u>	<u>15,592,640</u>	<u>16,008,846</u>

OMNITEK ENGINEERING CORPORATION
Consolidated Balance Sheet

ASSETS

	<u>December 31,</u> <u>2010</u>	<u>December 31,</u> <u>2009</u>
CURRENT ASSETS		
Cash	\$ 34,944	\$ 78,991
Accounts receivable, net of allowance of \$10,000	28,117	10,813
Accounts receivable -related party	-	73,749
Inventory	1,055,047	1,083,399
Deposits	73,412	128,359
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Total Current Assets	1,191,520	1,375,311
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FIXED ASSETS, net	-	11,727
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OTHER ASSETS		
Prepaid expense	-	2,500
Intellectual property, net	76,518	158,503
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Total Other Assets	76,518	161,003
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TOTAL ASSETS	<u>\$ 1,268,038</u>	<u>\$ 1,548,041</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 136,936	\$ 11,832
Accrued expenses-related parties	395,888	371,050
Accounts payable-related parties	4,068	16,105
Customer deposits	333,887	194,331
Note payable	-	84,158
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Total Current Liabilities	870,779	677,476
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Total Liabilities	870,779	677,476
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STOCKHOLDERS' EQUITY		
Common stock, 125,000,000 shares authorized no par value 15,659,829 and 16,127,675 shares issued and outstanding, respectively	2,374,799	2,330,476
Additional paid-in capital	4,004,607	3,366,794
Accumulated deficit	(5,982,147)	(4,826,705)
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Total Stockholders' Equity	397,259	870,565
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TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 1,268,038</u>	<u>\$ 1,548,041</u>