



EQM Technologies & Energy Completes Second Closing of Private Placement of Convertible Notes; Resumes Producing Biodiesel

CINCINNATI, OH – Monday, May 16, 2011 – EQM Technologies & Energy, Inc. (OTC: EQTE.PK) (“EQM”), a leading provider of environmental services and producer of biodiesel fuel, today announced that it has raised an additional \$500,000, completing the second and final closing of its previously announced \$3.0 million private placement of 10% subordinated convertible notes (the “Notes”). EQM intends to use all net proceeds from the Notes for working capital needs of its Cleburne, TX biodiesel facility (the “Plant”).

EQM also announced that in April 2011, after a testing period, it successfully restarted its Plant, and began producing biodiesel in commercial quantities for sale.

“The start up of our Cleburne, Texas plant has gone smoothly and as planned, and the capital raised from our private placement has been vital to these efforts,” said Jack Greber, CEO of EQM. “Production and sales have met our forecasts, and customer interest and demand have been strong”, added Mr. Greber.

The Notes bear interest at a rate of 10% per annum, are due and payable on the third anniversary of their issuance and are convertible into shares of EQM’s common stock at an initial conversion price of \$0.40 per share (subject to adjustment). EQM may call the Notes at any time after the first anniversary of their issuance if EQM’s common stock has traded at an average price per share above two times the conversion price for 60 consecutive days.

The Notes and the shares of EQM’s common stock issuable upon conversion of the Notes have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States absent registration under the Securities Act and applicable state securities laws or an applicable exemption from those registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of the securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification of such securities under the securities laws of that state or jurisdiction.

About EQM

EQM is a holding company with operations in two principal segments: (1) providing environmental services to the industrial and public sectors; and (2) the operation of its biodiesel production facility. EQM is headquartered in Cincinnati, OH with satellite offices in nine states, has approximately 260 employees, and has multi-year long-term contracts with numerous federal agencies, including the U.S. Environmental Protection Agency, the U.S. Department of Defense, and the U.S. Army Corps of Engineers. EQM's common stock trades on the Pink Sheets under the symbol "EQTE.PK". For more information, please visit www.eqm.com.

Forward-Looking Statements

Information included in this press release may contain "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identifiable by use of words such as "anticipate," "believe," "budget," "estimate," "expect," "forecast," "intend," "predict," "project" or the negatives of these words or similar terminology. Examples of forward-looking statements include, without limitation, statements EQM makes regarding its beliefs, plans, objectives, assumptions, estimates, intentions, projections, and expectations with respect to its opportunities and operations.

Forward-looking statements are based on EQM's current expectations and assumptions regarding its business, the economy and other future conditions. As forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. EQM's actual results may differ materially from those contemplated by the forward-looking statements, which are neither statements of historical fact nor guarantees or assurances of future performance. The following factors, among others, could cause or contribute to such material differences: EQM's ability to realize expected opportunities in the amounts or in the timeframe anticipated; and EQM's ability to integrate its environmental services and biodiesel production businesses in a timely and cost-efficient manner.

Forward-looking statements speak only as of the date of this communication. Except as required by law, EQM undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

For more information please contact:

EQM Technologies & Energy, Inc.
Robert Galvin, Chief Financial Officer
1800 Carillon Blvd.
Cincinnati, Ohio 45240
Phone: (800) 229-7495 or (513) 825-7500
Fax: (513) 825-7495
rgalvin@eqm.com