

STWA Provides Status Update on Servicing of Applied Oil Technology (AOT™) Prototype

SANTA BARBARA, CA--(Marketwire - Jul 27, 2011) - [STWA, Inc.](#) (OTCBB: ZERO) ("STWA" or the "Company"), an innovative company creating technology focused on energy efficiency of large-scale energy production and improved fuel economy for diesel fleets, today provided the following update related to testing of its [Applied Oil Technology \(AOT™\)](#) prototype at the [U.S. Department of Energy's \(DOE\)](#) Rocky Mountain Oilfield Testing Center ([RMOTC](#)).

The RMOTC facility retrofit and build-out per STWA's design criteria was completed in late June, allowing the Company's AOT prototype to be installed and testing to commence. The purpose of the testing is to identify and illustrate the principles and design validations required to move the technology from the laboratory to commercially viable units has yielded a wealth of important information and data. Initial testing of the device led to several discoveries about the current AOT prototype's design benefits and drawbacks towards becoming a commercially viable unit, which has yielded important data that could only come through vigorous testing. During the testing, under certain conditions, the AOT prototype experienced a build up of particles suspended in the oil, requiring the device to be removed from the line and serviced. This test profile, as experienced daily in field operations around the world, yielded important insight on certain design criteria that could be improved for commercial operation and is a crucial, necessary step in the commercialization process.

Bjorn Simundson, head of new product development, program management and operations at STWA, said, "At long last, the custom testing facility that we designed and built to our specifications is up and running. The fail-safe modes are proven to function, and it operates perfectly as designed. During testing of the AOT prototype at very high flow rates, it became apparent that iron scale dust from somewhere deep in the line began building up inside the device and limited the field tests. What was learned about that exercise, however, is that it identified a few design modifications that need to be adjusted when we transition from a scientific prototype to a commercially viable unit to make it easier to service in the field, and make it more robust to prevent such an occurrence during commercial operation."

Servicing and commercialization upgrade work on the prototype is currently under way. Initial testing generated a series of clear goals and objectives in the Company's journey to commercialization. Please visit the following web link to view photos of the RMOTC test facility, the prototype, and personnel onsite during testing: [STWA testing photos](#)

Cecil Kyte, CEO of STWA, said, "As we service and learn more about our prototype and its design details, we have generated crucial important data and are gaining insight as to how to improve our device for further testing and commercialization. STWA would not be where it is today without the help of funding comprised of a unique shareholder base. I feel and share the frustrations that come with implementing new technologies and the patience that is required. I would like to thank the third parties for their endless work towards completion of

the testing."

Mr. Simundson added, "As we service our device and prepare AOT for continued testing, we are excited to learn the full capabilities of our technology and the possible operation cost savings it holds for the global oil transport industry. Thank you for your continued support."

About STWA, Inc.

STWA, Inc. (OTCBB: ZERO) is an innovative company creating technology focused on energy efficiency of large-scale energy production and improved fuel economy for diesel fleets. The Company's Patented and Patent Pending technologies, including AOT™ (Applied Oil Technology), under development with Temple University, and ELEKTRA™ (for Improved Diesel Engine Efficiency), provide efficient and cost-effective means of improving the efficacy of crude oil transport and diesel engine efficiency to assist in meeting global increasing energy demands and emission quality standards. Applications include: (AOT™) Crude oil extraction & delivery systems, including oil platforms, oil fields and pipeline transmission systems. (ELEKTRA™) Diesel trucks, trains, marine vessels, military fleets and jet turbines.

More information including a company Fact Sheet, logos and media articles are available at: <http://www.stwa.com>.

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