

March 27, 2012



STWA Awards Research Funding to Temple University for Additional Technology Development

SANTA BARBARA, CA--(Marketwire -03/27/12)- [STWA, Inc.](#) (OTC.BB: [ZERO.OB](#) - [News](#)) ("STWA" or the "Company"), a developer of [energy efficiency technologies](#) in the multi-billion dollar oil pipeline and diesel engine markets, announced today that it has awarded Temple University \$500,000 to fund research led by the university's world-renowned physicist, Dr. Rongjia Tao and his team to pursue additional advancements to the Company's exclusively licensed oil pipeline technology through collaborative R&D between STWA and Temple University.

"We have a very productive collaborative arrangement with Dr. Tao and Temple University. The current development and licensing agreement has led to completion of some of our critical milestones in successfully testing AOT™ with the United States Department of Energy. We believe we will achieve additional significant technology milestones during the perpetuity of our agreement," stated STWA Chairman and CEO, Mr. Cecil Bond Kyte. "As we outline our future R&D goals, we see Dr. Tao and Temple University continuing to work together with us in co-development. STWA and Temple shall jointly own intellectual property created jointly by the parties. This is a great example of how private industry and the scientific talent at a university can come together to advance America's industrial competitiveness and energy security."

Stephen G. Nappi, Director of Technology Development and Commercialization at Temple University added, "Funding to conduct research related to AOT™ will help keep Temple University and STWA at the forefront of innovation in the oil pipeline market. Coupling this research program with STWA's exclusive license agreement provides an opportunity to bolster our intellectual property portfolio for the benefit of both parties."

About AOT™

STWA's Applied Oil Technology™ (AOT™) is designed to allow pipeline operators to temporarily reduce the viscosity of the crude oil within their pipeline(s) to reduce the fluid-drag (also known as friction-loss) between the fluid and the pipeline. By reducing the friction loss, pipeline operators' pump systems require less energy to maintain a constant flow rate, thereby directly reducing daily operation costs.

About STWA, Inc.

STWA, Inc. develops and commercializes energy efficiency technologies that assist in meeting increasing global energy demands, improving the economics of oil extraction and transport, and reducing greenhouse gas emissions. The Company's intellectual property portfolio includes 24 domestic and international patents and patents pending, which have been developed in conjunction with and exclusively licensed from Temple University. STWA's technologies include Applied Oil Technology (AOT™) which improves oil flow through pipelines. AOT™ has been proven in U.S. Department of Energy tests to increase

the energy efficiency of oil pipeline pump stations by over 13%. ELEKTRA™ improves diesel engine efficiency for industrial diesel engines, as well as diesel-powered 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>.

Safe Harbor Statement

This press release contains information that constitutes forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Any such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from any future results described within the forward-looking statements. Risk factors that could contribute to such differences include those matters more fully disclosed in the Company's reports filed with the Securities and Exchange Commission. The forward-looking information provided herein represents the Company's estimates as of the date of the press release, and subsequent events and developments may cause the Company's estimates to change. The Company specifically disclaims any obligation to update the forward-looking information in the future. Therefore, this forward-looking information should not be relied upon as representing the Company's estimates of its future financial performance as of any date subsequent to the date of this press release.