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STWA Begins Commercial Manufacturing of AOT 2.0

Commercialized Version of STWA's New Crude Oil Pipeline Efficiency Technology Now Being Built in the USA

SANTA BARBARA, CA -- (MARKETWIRE) -- 08/09/12 -- [STWA, Inc.](#) (OTCBB: ZERO) ("STWA" or the "Company"), a developer of [applied solutions](#) for oil and fuel delivery systems in the multi-billion dollar oil pipeline and diesel engine markets, announced today that it has proceeded to commercial manufacturing of its second-generation Applied Oil Technology™ (AOT™).

The commercialized design is the result of months of rigorous engineering, physics support from STWA co-development partner Temple University, and manufacturing support from the Company's supply chain members. The commercial design had strong input from industry contacts and experts and should prove to be a version that can meet industry standards following concept viability and certification testing.

The commercial design, known as AOT™ 2.0, is based on numerous field trials and improvements of its predecessor, 1.2v. The new design improves upon the 1.2v in many ways, all driven by industry, manufacturing and physics guidance received by the Company from its co-development partners and industry relationships. The AOT™ 2.0 has a continuous duty flow rate of over 5,000 gallons per minute, ASME certification, Class I Div II components, and the ability to be installed in parallel to handle any commercial scale pipeline flow rate. The AOT™ 2.0 improvements yield a device that is over 23x more valuable per unit than the 1.2v design.

Among the many improvements above and beyond its predecessor, are a simplified manufacturing process, off the shelf parts hardware assembly, and proprietary trade-secret materials and manufacturing processes to complete the design. The AOT™ 2.0 is extremely robust in nature, with a duty rating of 1200psi, expandable to over 1500psi, and easily configurable to accommodate even the most challenging installation locations. With a total footprint of only 5 feet on each side, and an overall height of only 24 feet per pressure vessel, the unit is easily plumbed into service with a pipeliner's standard crew and equipment. The design is also easily serviceable in the field, with replaceable internal parts, serviced on a routine scheduled maintenance plan.

The AOT™ 2.0 is built in the USA, and can be exported to customers around the world.

"This final, compulsory stage in our commercialization process is truly our most significant milestone yet. Following this step, we will be able to reveal financial metrics from which STWA establishes its evolving valuation points," said STWA CEO, Mr. Cecil Bond Kyte. "On behalf of all of us at STWA, we want to extend a thank you to our shareholders; you made this possible."

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 is designed to improve 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. 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.

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