

STWA Begins Pipeline Product Certification Process With TDC and China Petroleum Pipeline Administration

SANTA BARBARA, CA -- (MARKETWIRE) -- 06/12/12 -- [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, today announced it is now conducting its first phase of product certification for its oil pipeline efficiency technology, Applied Oil Technology™ (AOT™) for use in China.

STWA's commercialization partner in China, Beijing Heng He Xing Ye Technology Development Company (TDC), is working closely with STWA and its management team to certify the AOT™ product for use in China. In order to complete Phase I Lab Certification, TDC and STWA are now testing the laboratory version of the AOT™ at the China Petroleum Pipeline Administration's (CPP) PetroChina Pipeline R&D Center. As per the terms of STWA's [Cooperation Framework Agreement](#), TDC is responsible for the full costs of implementing the testing and certification of AOT™ with CPP.

Dr. Rongjia Tao of Temple University, co-developer of STWA's AOT™ technology, has travelled to China and set up laboratory testing at CPP. The center is the sole authority in China that certifies all domestic and foreign products in the pipeline sector. Dr. Tao, who previously completed similar lab testing of AOT™ at his own laboratory at Temple University, is joined in China by STWA's Chief Financial Officer, Gregg Bigger, and STWA's Director of Operations and Program Management, Bjorn Simundson. The team is currently implementing tests with the aim of completing the first phase of CPP's certification process.

Upon receipt of Lab Certification, STWA and TDC will implement the next two phases to complete full certification. The second phase will involve Loop Pipeline Testing in which an AOT™ 1.2V unit will be deployed in a field test loop, similar to the testing STWA and the United States Department of Energy (US-DOE) conducted at the US-DOE's Rocky Mountain Oilfield Testing Center (RMOTC) in Casper, Wyoming. The third phase will involve Engineering Testing in which a commercial version of the AOT™ technology will be deployed for testing on a functioning commercial pipeline in China. With completion of all three steps, STWA expects certification of AOT™.

"Achieving certification from CPP will allow us to finalize a business plan towards commercialization and sales of this technology in China. TDC has been a solid partner and we are on track for commercialization in the fastest growing energy market in the world. With a March 5, 2011, published Chinese government mandate to reduce energy consumption by 16% by 2015, and an ever increasing need for petroleum products to fuel a rapidly growing economy, oil pipeline operators in China may be compelled to implement an innovation like AOT™ which we believe can significantly reduce energy use at pipeline pump stations, and potentially increase throughput capacities by improving oil viscosity," stated STWA CEO, Mr. Cecil Bond Kyte.

"As interest in AOT™ is growing in multiple regions around the world, our ability to move through various governmental certification processes will speed up our global roll out of AOT™," concluded Kyte.

To view the U.S. Department of Energy's test reports on AOT™ please visit:

<http://www.rmotc.doe.gov/testreports.html>

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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