

STWA Announces Results of Shareholder Meeting & Updates on Further Technology & Commercial Progress Achieved

SANTA BARBARA, CA -- (MARKETWIRE) -- 09/25/12 -- 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 both matters put to vote, the election of Cecil Bond Kyte, Charles Blum and Nathan Shelton as directors, and the appointment of Weinberg & Co. as the Company's independent auditor for the fiscal year ending December 31, 2012, were approved by shareholders at its annual shareholders meeting which took place on Friday, September 21, 2012.

During the shareholder meeting, attended by approximately 200 people, the Company presented updates on its continued progress with technology and commercial developments for implementation of STWA's Applied Oil Technology™ (AOT™) oil pipeline viscosity reduction systems in both the U.S. and abroad. Highlights include:

- <u>High-level meetings with large pipeline and petroleum companies.</u>
 STWA executives have recently had several high-level meetings and are at proposal stage negotiations and under NDA with three large pipeline and petroleum companies.
 These meetings have taken place both at STWA's headquarters in Santa Barbara and in various cities in North America and abroad. Many of the locations are recognized oil and gas centers. Due to non-disclosure agreements that have been signed, the identities of these pipeline and petroleum companies shall remain confidential until commercialization contracts or letters of intent are signed.
- <u>Phase II AOT™ commercial testing using a functional pipeline set to begin in China in October.</u>

The Beijing Heng He Xing Ye Technology Development Company (TDC) has invited STWA to bypass the pipeline loop test and to proceed directly to commercial testing of AOT™ in China on a functioning in-use pipeline. TDC was able to accelerate approval of this change with the Chinese Government based on the strong results that AOT™ has already shown in testing at the United States Department of Energy's (DOE) Rocky Mountain Oil Testing Center (RMOTC), the laboratory testing conducted at the China Petroleum Pipeline Bureau's (CPP) PetroChina (CNPC) Pipeline Science and Technology R&D Center located in Langfang (See: https://ir.stockpr.com/stwa/press-releases/detail/173/stwa-successfully-completes-lab-testing-aot-in-china-schedules-field-test-for-august), and the pressing need that China has today for a technology like AOT™. STWA's commercialization partner, TDC, has already identified a commercial pipeline where AOT™ may be installed. We are seeking agreements with that commercial pipeline for testing. The AOT™ has arrived in the field and is awaiting installation, which requires STWA staff to be present.

• Commercial manufacturing is on track.

STWA management reported that manufacturing of the first AOT™ 2.0 commercial unit is in production and its supply chain is meeting its scheduled manufacturing milestones. The initial AOT™ 2.0 units will be used for implementation in pilot programs on commercial pipelines in the U.S. and abroad. The Company is also in the process of evaluating manufacturing partners for a fast ramp-up of production, should pilot programs lead to larger unit quantity orders.

<u>Temple University: Total patents increase to 35.</u>

At the shareholder meeting, Mr. Stephen Nappi, Director of Technology Development and Commercialization at Temple University, spoke about Temple's commercialization relationship with STWA and noted that it has the potential to be one of the more promising technology transfer opportunities for the university. Mr. Nappi also stated that the number of pending and issued patents filed domestically and internationally on the AOT™ technology, which is being co-developed by STWA and Dr. Rongjia Tao of Temple University has increased to a total of 35.

As a result of STWA's research agreement with Temple University, more advanced R&D work and additional field testing is being conducted at the U.S. Department of Energy's RMOTC in the U.S. and at facilities in China.

• Ryan Zinke attests to need for AOT™ technology. Montana State Senator Ryan Zinke, who was a guest speaker at the shareholder meeting, shared his first-hand experience with the Bakken formation, located in Montana. He stated his commitment to U.S. energy independence and that the U.S. has more than enough oil to not only achieve energy independence but also to export oil to other countries. He pointed out our nation's challenge now is to put in place the infrastructure and technologies to most efficiently move this oil to points of use. Senator Zinke is a supporter of STWA and is making key introductions to help move AOT™ into commercial implementation.

Cecil Bond Kyte, CEO stated, "We have never been more confident of our prospects for STWA. Having built our team and our technology to critical point, we believe that commercial sales and revenues are in our near future. I thank all of our loyal shareholders who attended our annual meeting, as well as all of those who were unable to attend and continue to support our company and our mission."

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.

Investor Relations Contacts:

Mr. Andrew Haag Managing Partner IRTH Communications, LLC Tel: +1-866-976-IRTH (4784)

E-Mail: Email Contact

Website: www.irthcommunications.com
Company Website: www.stwa.com

Mr. Jeremy Roe Managing Partner Integra Consulting Group, LLC

Tel: +1-925-262-8305 E-Mail: <u>Email Contact</u>

Website: www.integraconsultinggroup.com