

May 7, 2012



STWA Issues Investor Newsletter Recapping Achievements in Technology and Commercial Development

SANTA BARBARA, CA--(Marketwire -05/07/12)- [STWA, Inc. \(ZERO.OB - News\)](#) ("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 it has issued an Investor Newsletter covering developments and accomplishments in fiscal 2011 and the first quarter of fiscal 2012. The newsletter may be viewed at: http://www.stwa.com/STWA/investor/050112_STWA_Newsletter_FINAL.pdf

The newsletter includes:

- Description and analysis of the United States Department of Energy's March 29, 2012 field tests of AOT™ 1.2H showing 40% improvements in viscosity and pipeline pressure.
- Detailed description of the key metrics measured in testing and why these results matter to pipeline operators.
- Case study of AOT™'s financial impacts on a commercial pipeline.
- Sales methodologies and corresponding revenue models in commercialization of AOT™.
- Summary of STWA's current commercial agreements, financial metrics, and expansion of its licensing agreement with Temple University for co-ownership of additional new technologies and intellectual property.

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.