

STWA, Inc. to Begin Phase II Testing of Technology for Increasing Efficiency of Oil Production and Transportation

SANTA BARBARA, CA--(Marketwire - Apr 13, 2011) -<u>STWA, Inc.</u> (OTCBB: ZERO) ("STWA" or the "Company"), an innovative company creating technology focused on energy efficiency of large-scale energy production and improved fuel economy for diesel fleets, announced today that it is about to begin Phase II Testing of its <u>Applied Oil Technology (AOT™)</u> prototype unit at the <u>U.S. Department of Energy's (DOE)Rocky Mountain Oilfield Testing Center (RMOTC)</u> in Casper, Wyoming, and provided detailed images of the unit.

AOT™ is a revolutionary new technology for lowering extraction and transportation costs for pipeline operators and increasing pipeline efficiency. AOT™ utilizes patented processes that reduce the viscosity of crude oil, which reduces operational power requirements thereby reducing costs and improving margins for pipeline operators. AOT™ has already been proven in laboratory tests to reduce crude oil's viscosity. The full-scale AOT™ working prototype was developed with Colfax Corporation, a global leader in critical fluid-handling products and pump technologies.

"AOT™ has the potential to change the way crude oil is transported around the globe and to generate considerable cost savings for the pipeline industry," stated Mr. Cecil Bond Kyte, Chairman and CEO of STWA, Inc. "This comes at a time when there is growing public pressure to relieve the high cost of oil. A 1% increase in crude oil flow capacity on a 36" wide 2,000 mile long pipeline, with a capacity of 500,000 barrels of oil per day, could theoretically produce an extra 5,000 barrels a day, which equates to an additional value of \$182,500,000 per year. With more than 400,000 miles of pipeline in operation around the world, the dollar value impact to consumers and corporations could be in the billions each year."

Phase II testing of an STWA's AOT™ prototype unit, which will be taking place in a real world oil pipeline environment at the U.S. Department of Energy's (DOE) Rocky Mountain Oilfield Testing Center (RMOTC) in Wyoming, is being co-funded under contract with the Pipeline Research Council International (PRCI), a global collaborative research development organization for the energy pipeline industry. The testing will evaluate the magnitude and duration of the viscosity changes, and characterize the potential reduction in power required to pump crude oil due to the application of AOT™ on oil pipelines. Testing is scheduled for mid-April.

About STWA, Inc.

STWA, Inc. (OTCBB: ZERO) is an innovative company creating technology focused on energy efficiency of large-scale energy production and improved fuel economy for diesel fleets. The Company's Patented and Patent Pending technologies, including AOT™ (Applied Oil Technology), under development with Temple University, and <u>ELEKTRA™</u> (for Improved Diesel Engine Efficiency), provide efficient and cost-effective means of improving the efficacy of crude oil transport and diesel engine efficiency to assist in meeting global

increasing energy demands and emission quality standards. Applications include: (AOT™) Crude oil extraction & delivery systems, including oil platforms, oil fields and pipeline transmission systems. (ELEKTRA™) Diesel 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.