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STWA Oil Pipeline Efficiency Unit Arrives in China for Phase II Testing

Shipment Arrival Clearing Customs for Testing With the Largest Energy Growth Country in the World

SANTA BARBARA, CA -- (MARKETWIRE) -- 09/14/12 -- [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 the Company's groundbreaking oil pipeline energy-efficiency system known as Applied Oil Technology™ (AOT™) has arrived in China for testing and government approval for importation into the world's largest energy consuming nation. The unit is to begin Phase II of the three-Phase commercialization acceptance process as mandated by China Petroleum Pipeline Administration (CPP).

The STWA crude oil pipeline flow improvement hardware solution, AOT™ 1.2v, has arrived at the port of Tianjin, China, about 90 miles southeast of Beijing, and is undergoing customs clearance and government compliance inspections at this time. The Chinese will be testing the pre-production device to determine its value to their domestic energy production and transport markets. The unit is the very device used in successful testing with the U.S. Department of Energy (US DOE) at the Rocky Mountain Oilfield Testing Center (RMOTC) located on the U.S. Naval Petroleum Reserve #3 near Casper, Wyoming. Testing results can be found at: <http://www.rmotc.doe.gov/testreports.html>.

Earlier this summer, STWA conducted [successful laboratory testing](#) together with CPP/CNPC at the Pipeline Flow Assurance R&D Center in Langfang, China. The Company's new flow assurance technology, AOT™, is of interest to China for its ability to improve the flow characteristics and maximum flow rates within the existing 13,000 miles of pipeline that network throughout the country.

The success of the Phase I laboratory testing unlocked interest and permission to bring the pre-production AOT™ 1.2v to China in order to conduct [Phase II](#) of the 3-phase process leading to commercial acceptance and implementation of the new technology throughout the Asian nation.

According to the United States Energy Information Administration, [CNPC manages 70% of the approximately 13,000 miles](#) of pipeline in China, with an additional 6,000 miles to be built by 2015. Testing is slated to take place at the beginning of October after installation has been completed.

"China needs flow improvement technology such as AOT™ now more than ever," stated STWA CEO Mr. Cecil Bond Kyte. "The nation's oil and energy needs are growing at over a million barrels per day, per year, according to U.S. government figures. By installing AOT™ systems into their existing networks of pipelines, in addition to the new lines that are being

built over the next two decades, they could save billions of kilowatt-hours of electricity, while increasing the transport rates of their pipeline networks to alleviate bottleneck concerns. We together feel that on-demand viscosity reduction will be a must-have for every pipeline throughout the country, and this testing is to support those efforts."

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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