

STWA Reports 2015 First Quarter Financial Results

SANTA BARBARA, CA -- (Marketwired) -- 05/11/15 -- **Save The World Air, Inc., d/b/a STWA (the "Company")** (OTCQX: ZERO), a developer of integrated technology solutions for the energy industry, today announced its financial results for the fiscal first quarter ended March 31, 2015.

Commenting on the Company's financial results and operational progress, Gregory Bigger, STWA's Chief Executive Officer and Chairman stated, "We continued to make progress in further developing our product portfolio, working in concert with academia and global operators and transporters of crude oil in both the midstream and upstream markets. We are in the process of moving from the testing phase to commercialization, and believe we should be in a position to generate revenues in the 2nd half of 2015. We're currently engaged with the largest pipeline operators in North America and expect to deploy our AOT system on a large pipeline in the Eagle Ford Formation this year. We've had positive test results for AOT on Middle Eastern crude oil, which has opened the door to additional international opportunities, as well as on a variety of petroleum fluids, which may lead to expanded revenue generating opportunities through deployment. Our management team and Board are pursuing parallel plans to commercialize, develop and expand our technology. We are also looking to recapitalize the company to provide resources to not only expedite this strategy, but also to be opportunistic in the global M&A markets targeting complementary technologies and operations teams.

Financial Results (for the periods ending March 31, 2015 and March 31, 2014, respectively)

- No revenues were recognized in either of the 2015 and 2014 first quarter periods as the Company continues to focus its resources on projects with large scale operators, which are expected to result in commercial, revenue-generating opportunities in the back-end of 2015.
- Operating expenses were \$1.0 million as compared to operating expenses of \$0.9 million. Cash expenses declined by approximately \$0.1 million however, as a result of lower salaries and benefits, corporate and travel and related expenses and lower rent and utilities expenses, offset by higher consulting and professional fees.
- Research and development (R&D) expenses were \$0.3 million as compared to \$0.5 million. The decline in R&D expenses is attributable to lower prototype product development costs, offset by higher product testing, research, patents and other costs.
- The Company reported a net loss of \$1.3 million or a loss per basic and diluted share of \$0.01 as compared to a net loss of \$1.4 million or a loss per basic and diluted share of \$0.01.

- In the 24 months following the development of its first Applied Oil Technology™ (AOT™) prototype, STWA established lease agreements with two of North America's leading pipeline operators. The Company is currently working with one of these operators in the Eagle Ford, TX region, and testing is expected to commence in the coming month. The two companies will jointly be testing AOT's viscosity reduction capabilities for crude oil and for condensate, marking the first time the AOT solution will be utilized specifically for condensate viscosity reduction. STWA anticipates further information on the testing results will be available towards the end of the 2015 third quarter.
- Further building out the potential usage of AOT for the transportation of crude oil, STWA today disclosed that it is in discussions with pipeline operators in six of the world's primary oil transportation corridors and has proposals out with several entities in the Middle East, Europe, Africa, and in Canada. Several configurations of single- and multi-vessel AOT systems have been extensively field tested by globally recognized independent testing organizations including the U.S. Department of Energy, ATS RheoSystems and PetroChina, and the China Petroleum Pipeline Bureau.
- The Company, working with its strategic partner, Energy Tech Africa ("ETA"), has issued a proposal to an undisclosed party to deploy AOT on a pipeline system in the Northern Persian Gulf of Iraq. AOT, if chosen, will support the transportation needs of this operator to reduce viscosity reduction of crude oil between Gulf terminals. Based on laboratory tests of crude samples provided by Energy Tech Africa, which were conducted by Temple University, STWA expects to achieve viscosity reduction of 10-25% in the field. These results suggest that AOT deployment can reduce operating cost and/or increase throughput on the Gulf pipeline. There can be no assurances that the laboratory tests will translate into the expected viscosity reduction in the field, however the initial tests are encouraging.
- As a result of these successful tests, ETA has engaged in preliminary discussions with a second undisclosed party in Algeria for similar consideration of AOT deployment on crude oil transportation infrastructure.
- In October 2014, STWA entered into a Joint Development Agreement with a large E&P entity to test a commercial prototype of its Joule Heat equipment on a crude oil pipeline serving the Greater Monument Butte oilfield located in Uintah Basin of Utah. The Company is currently in the process of optimizing the Joule Heat technology for the upstream oil transportation market and is on track to install and begin testing in the second quarter.
- Temple University ("Temple") continues to conduct laboratory and field tests on the viscosity reduction effects of AOT technology. Recently, researchers at Temple completed a study on the impact of AOT on a wide variety of petroleum fluids from multiple continents. The findings indicate that AOT is able to reduce viscosity for all tested fluid types, including crude oil, diesel fuel, condensate, etc. Temple's research showcases the AOT technology's potential to reduce viscosity for multiple petroleum products beyond crude oil, further demonstrating its potential application for global petroleum transportation entities. STWA, in some cases with its partner ETA, is currently utilizing these research results for strategic business development, both in

regards to expansion of existing deployments and engagement with prospective customers.

Liquidity and Capital Resources

As of March 31, 2015 the Company had cash on hand of \$1.4 million as compared to \$2.2 million as of December 31, 2013. Consistent with the Company's year-end statements, STWA continues to take steps to lower its fixed expenses and R&D costs and is currently in discussions with several financing parties as it seeks strategic alternatives to improve its balance sheet and provide additional resources to expedite its commercialization and product development strategy. With the current cash on hand, the Company believes it has sufficient capital to continue operations through 2015.

Mr. Bigger continued, "We see large-scale opportunities for our AOT system on a global basis and longer-term, and believe our Joule Heat solution will open up new channels and revenue streams for our Company. We will provide our shareholders with updates on our progress at our Annual Shareholders Meeting in June and expect to be in position to report on some material developments in the second half of 2015. Everyone at STWA remains committed to building a sustainable business over the long-term, with shareholder value a key priority."

For further information about STWA, Inc., visit www.stwa.com, read our SEC filings at <https://ir.stockpr.com/stwa/all-sec-filings> and subscribe to Email Alerts at <https://ir.stockpr.com/stwa/email-alerts> to receive company news and shareholder updates.

Safe Harbor Statement:

Some of the statements in this release may constitute forward-looking statements under federal securities laws. Please visit the following link for our complete cautionary forward-looking statement: <http://www.stwa.com/site-info/disclaimer>

About Save the World Air, Inc. d/b/a STWA

Save The World Air, Inc. (STWA) (OTCQX: ZERO) provides the global energy industry with patent-protected industrial equipment designed to deliver measurable performance improvements to crude oil pipelines. Developed in partnership with leading crude oil production and transportation entities, STWA's high-value solutions address the enormous capacity inadequacies of domestic and overseas pipeline infrastructures that were designed and constructed prior to the current worldwide surge in oil production. In support of our clients' commitment to the responsible sourcing of energy and environmental stewardship, STWA combines scientific research with inventive problem solving to provide energy efficiency 'clean tech' solutions to bring new efficiencies and lower operational costs to the upstream, midstream and gathering sectors. More information is available at: www.stwa.com.

Company Contact

Save the World Air, Inc. d/b/a STWA

Tel: +1 805 845-3581

E-mail: investor@stwa.com

Investor Relations & Media Contact

Jay Morakis
M Group Strategic Communications
Tel: +1 212 266 0191
E-mail: jmorakis@mgroupsc.com

Source: Save The World Air, Inc.