Amistar Reports Intent to Wind Down Business Affairs and Dissolve

SAN MARCOS, CALIFORNIA, February 5, 2008/PRIMENEWSWIRE/ -- Amistar Corporation ("the Company") (Pink Sheets-AMTA.PK) today reported plans to wind down operations. On February 5, 2008, the Company's Board of Directors approved a preliminary plan of winding down and dissolution. The Company is in the process of evaluating its outstanding and anticipated obligations and is preparing a formal plan of winding down and dissolution. Subject to consent and approval of the plan of winding down and dissolution by a majority of shares, the Company plans to wind down its business affairs and dissolve in accordance with the laws of the State of California.

The Company has begun making plans and preparations for the orderly wind down of its operations, including the fulfillment of all outstanding contracts, headcount reductions, securing continuing support for its existing customers, seeking purchasers for its intellectual property and tangible assets and providing for outstanding and anticipated liabilities including wind-down costs.

The Company anticipates that its operations will consist primarily of collecting any earn-out payments, collecting proceeds from assets sold, satisfying obligations, administration of the corporation, and making distributions, if any, to its shareholders until such time as the Company's board of directors believes there are no further proceeds to be collected.

As part of the Company's plans for securing continuing support for its customers, on February 5, 2008, the Company reached tentative agreement on the key terms of an asset purchase agreement with a third party, to sell selected assets of the Company's machine division and to provide service, warranty and sales support to the Company's existing customer base. The purchaser company's principals consist of Joe Pultinevicius, the Company's National Sales Manager and Rick Geisz, the Company's Service Manager. The parties are in the process of preparing and negotiating a definitive asset purchase agreement. The parties expect a definitive asset purchase agreement to be effective on March 1, 2008, or as soon as practical thereafter.

"The Board of Directors reached the conclusion, after considering the Company's business prospects, its available and projected cash resources and other factors, that a wind down and dissolution of the Company is in the best interests its shareholders, customers and suppliers. Whether any funds will be available for distribution to our shareholders depends on the amount of earn-out payments the Company receives from the sale last year of its automated dispensing machine business, as well as the pending sale of certain assets of its machine division, and other factors. The timing and amount of the distribution to our shareholders, if any, cannot be predicted at this time" stated Stuart Baker, Amistar's President.

Forward Looking Statements

This report contains forward-looking statements within the meaning of the Private Securities Reform Act of 1995, including statements regarding completing a definitive agreement for an asset sale to a third party, market opportunities, anticipated earn-out related to the Asset Purchase Agreement dated April 6, 2007, wind-down and dissolution plans, potential cash distributions, and liquidity. These forward-looking statements involve risks and uncertainties, and the cautionary statements set forth below identify important factors that could cause actual results to differ materially from those in any such forward-looking statements. Such factors include, but are not limited to, adverse changes in general economic conditions, including changes in the specific markets for the Company's products, product availability, decreased or lack of growth in the electronics industry, adverse changes in customer order patterns, increased competition, pricing pressures, lack of success in technological advancements, risks associated with foreign trade, fluctuations in the price of the Company's stock and the ability to complete its plan of wind down and dissolution, including the ability to consummate a definitive asset purchase agreement with the purchaser and pay cash distributions.

About the Company

Amistar Corporation provides automation solutions primarily for the industrial and retail markets. The Company designs, develops, manufactures, markets and services a variety of automated equipment used to

assemble electronic components and product identification media to printed circuit boards and other assemblies. In addition, the Company provides design and manufacturing resources to create customized factory automation equipment and other products according to customers' specification in a broad range of industries.

Additional information about Amistar is available at www.amistar.com and pinksheets.com.

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