

PRESS RELEASE

(DSE:SWALA)

2nd Floor Oyster Plaza, Plot No.1196
Oysterbay, Haile Selassie Road,
P.O. Box 105266, DSM, Tanzania

TEL +255 (0) 755 687 785

2nd April 2020

DISCONTINUANCE OF ACTION AGAINST THE COMPANY AND CURRENT AND FORMER DIRECTORS

Swala Oil & Gas (Tanzania) plc (“Swala” or “the Company”) advises that, following an agreement between Swala, Otto Energy (Tanzania) Pty Ltd (“Otto”), certain former directors of Swala Energy Limited and Mr. James Thackray, in his own right and in his capacity as former administrator and deed administrator of Swala Energy Limited (“SWE”) and in his capacity as trustee of the SWE Creditors’ Trust (together, “the Parties”), all matters in dispute between the Parties have been settled.

As a result of this Otto shall apply for the discontinuance of the action initiated before the Federal Court of Australia by Otto against the Company and certain current and former directors of the Company.

Dr. David Mestres (Swala CEO) said: “The resolution of a matter that has been unresolved since 2016 is a welcome development and allows the Company to close this particular chapter and move on to focus on its 2020 work programme and business development plans in a challenging global environment.”

For further information please contact:

Swala Oil & Gas (Tanzania) plc

Ms. Christina Eugene

Christina.eugene@swalaoilandgas.com

www.swalaoilandgas.com

About Swala:

Swala is the first Oil and Gas company listed on an East African Stock Exchange with a significant local ownership. Swala holds assets in the world-class East African Rift System with a total net land package in excess of 14,000 km² as well as a 7.93% interest in PAE PanAfrican Energy Corporation. New discoveries have been announced by industry participants in a number of licences along this trend that extend the multi-billion-barrel Albert Graben play so successfully developed by Tullow Oil into the eastern arm of the rift. Swala has an active operational and business development programme to continue to grow its presence in the hydrocarbon provinces of East Africa and globally.