

PRESS RELEASE

(DSE:SWALA)

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

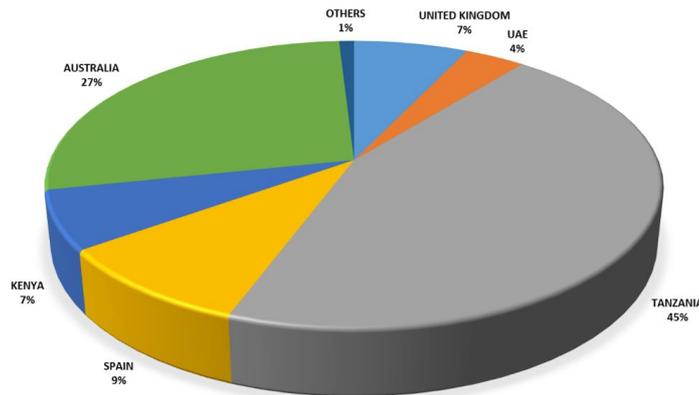
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12 December 2018

SWALA SHARE DISTRIBUTION TO SWALA ENERGY SHAREHOLDERS

Swala Oil & Gas (Tanzania) plc (“Swala” or “the Company”) is pleased to advise that it has completed all necessary steps to distribute 58,453,561 shares formerly held by Swala Energy Limited (a company registered in the British Virgin Islands) to its ultimate beneficial owners. The Company has started to engage with different shareholder groups to progress the distribution.

The distribution of the shares results in a change in the composition of the investor base and its geographical location. The Company’s equity is primarily owned by approximately 1,500 Tanzanian investors (accounting for 45% of the Company’s issued capital). This group is followed by Australian investors (27% of the Company’s issued capital) and by investors in Spain (9%), Kenya and the United Kingdom (each with 7%). These holdings do not reflect the eventual conversion of the Convertible Notes placed with Energy Tanzania Limited, as advised to the market on the 10th December 2018.



Following the distribution of these shares, no single shareholder shall hold a controlling equity position. As a result, the Board of the Company shall not propose an extension of the Shareholder Protection Plan approved by the shareholders of the Company at the 2016 Annual General Meeting at the 2018 Annual General Meeting and the Shareholder Protection Plan will lapse at that time.

Dr. David Mestres Ridge (Swala CEO) said: “The distribution of these shares, contemplated in a series of agreements dated June 2017 between Swala, Swala Energy Limited and its owners, will allow all shareholders of the Company to trade their shares on an equal basis. We shall be contacting various groups of shareholders as we roll this distribution out and aim to have it completed by late December 2018.”

Swala Oil & Gas (Tanzania) plc
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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.