

PRESS RELEASE (DSE:SWALA)

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NOTING THE OPERATIONAL UPDATE BY PANAFRICAN ENERGY TANZANIA LIMITED

Swala Oil & Gas (Tanzania) plc ("Swala" or "the Company") notes the announcement issued by PanAfrican Energy Tanzania Limited ("PAET"), a subsidiary of PAE PanAfrican Energy Corporation, regarding the signing of a short-term sales agreement with the Tanzania Petroleum Development Corporation ("TPDC") and the Tanzania Electric Supply Company ("TANESCO") for the immediate supply of gas to TANESCO of up to 35 million standard cubic feet per day ("MMscf/d").

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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.