

PRESS RELEASE (DSE:SWALA)

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SWALA ANNOUNCES FURTHER EXTENSION TO THE SECOND AND THIRD CLOSING DATES OF THE ORCA INVESTMENT

Swala Oil & Gas (Tanzania) plc ("Swala" or "the Company") today announced that Orca Exploration Group Inc. ("Orca") has agreed to an additional extension to the date by which the second closing and third closing of the previously announced investment by the Company in the Orca group of up to US\$130 million must be completed from 11th May 2018 to 29th June 2018. There are no assurances given that one or more of the transactions will be completed by 29th June 2018 or that they will be completed on the terms previously disclosed.

Dr. David Mestres Ridge (Swala CEO) said: "The new extension is not a reflection of lack of interest, which remains strong both nationally and internationally, but of certain aspects of the listing approvals process. Having identified these issues the Company has taken steps to ensure that no further delays are incurred as a result, and shall advise the market as the process progresses."

For further information please contact:

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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.

About Orca Exploration Group Inc.

Orca is an international public company engaged in natural gas exploration, development and supply in Tanzania through its wholly-owned subsidiary, PAET. Orca trades on the TSX Venture Exchange under the trading symbols ORC.A and ORC.B. The Company's Project Agreements are more fully described in the Company's 2016 Annual Information Form, and available on www.orcaexploration.com.