

PRESS RELEASE

(DSE:SWALA)

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SWALA REPAYS INTERCOMPANY LOAN WITH THE SWE CREDITORS TRUST

Swala Oil & Gas (Tanzania) plc ("Swala" or "the Company") is pleased to advise that, under the terms of the Deed of Assignment of Debt and Securities dated 20th June 2017 between the Company and the SWE Creditors Trust ("the Trust"), the Company has paid the Trust the sum of A\$1 million in full and final settlement of the intercompany loan agreed between the Company and Swala Energy Limited on the 3rd July 2014.

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.