



SWALA OIL AND GAS (TANZANIA) LIMITED
Company Number 84838

6 June 2012

SWALA AWARDS CONTRACT FOR TANZANIAN GRAVITY-MAGNETIC SURVEY TO NRG

Swala Oil & Gas (Tanzania) Limited (“Swala”) is pleased to announce that, following a competitive tender, it has awarded the contract to carry out an aeromagnetic survey of its Pangani and Kilosa-Kilombero oil exploration licences to New Resolutions Geophysics (NRG) of South Africa.

Swala expects that NRG will start its 3,000km survey of the Pangani Licence in early July 2012, before continuing in mid-July to the Kilosa-Kilombero licence where it will survey a further 6,000km.

Swala and its joint venture partner, Otto Energy (Tanzania) Pty Limited have reprocessed legacy data to identify three basins in the Kilosa-Kilombero licence and a further two basins in the Pangani licence. The work programme carried out by NRG will focus on these basins and surrounding areas with first results expected in September 2012.

Dr. David Mestres Ridge, Swala’s CEO said *“We are delighted to announce the award of the gravity-magnetic contract to NRG after much effort on the part of our technical team and negotiations with the prospective contractors. This programme represents a significant step in the Company’s commitment to continued exploration activities in East Africa.”*

For further information please contact:

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