



SWALA OIL AND GAS (TANZANIA) LIMITED
Company Number 84838

4 July 2012

SWALA COMMENCES AIRBORNE SURVEYS IN TANZANIA

Swala Oil & Gas (Tanzania) Limited (“Swala”) announces today that it has commenced the airborne survey over the Pangani licence area in Northern Tanzania.

The survey will acquire around 5,300 line kilometres of gravity and magnetic data over an area of just over 4,000 square kilometres in order to help determine the dimensions of a potential Tertiary-age sedimentary basin. The survey is likely to take 11 days of flying time and will be conducted by New Resolution Geophysics (NRG). During this time the plane will be based at Kilimanjaro International Airport.

Upon completion of the Pangani survey the aircraft shall be relocated to fly a similar survey over the Kilosa-Kilombero licence area where it will be based at Morongoro airfield and Illovo airstrip. The plane will record the 9,000 line-kilometre survey over 3 separate areas, of between 2,000 square kilometres and 3,000 square kilometres in area. The survey duration will be about 18 days.

The data from the survey will be processed and interpreted by end of 3Q 2012.

Swala holds 50% equity and is operator in both the Kilosa-Kilombero and Pangani Licence areas. Otto Energy (Tanzania) Pty Ltd holds the other 50%.

For further information please contact:

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