



SWALA OIL AND GAS (TANZANIA) LIMITED
Company Number 84838

3 August 2012

SWALA COMMENCES PRIVATE PLACEMENT OF UP TO 5,000,000 SHARES

Swala Oil & Gas (Tanzania) Limited ("Swala") is pleased to announce that it has today commenced the process of a private equity placement in Tanzania.

The company is seeking to raise up to \$1.25 million from local investors to fund the first year of activity in the Pangani and Kilosa-Kilombero licences in Tanzania. Swala operates both licences with a 50% interest. The company's airborne survey work over the two licences has now been completed and the company is currently reviewing the data prior to their processing and interpretation.

Swala is currently owned to 30% by local Tanzanian investors and it is anticipated that, at the end of this process, local participation shall rise to 40% assuming the entire 5,000,000 shares are placed.

For further information please contact:

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