

CONTINUOUS DISCLOSURE POLICY

SWALA OIL AND GAS (TANZANIA) LIMITED

Company Number 84838

1. OVERVIEW

1.1 Compliance with DSE Listing Rules

Swala Oil and Gas (Tanzania) Limited ("Swala" or "Company") is listed on the Dar es Salaam Stock Exchange (DSE) and must comply with all applicable DSE Rules (Listing Rules).

1.2 Continuous Disclosure of Material Information

One of the most significant obligations imposed by the Listing Rules is the continuous disclosure to the market via the DSE of material information. This is a mandatory obligation.

1.3 Purpose

The purpose of this Policy is to:

- (a) ensure that all directors, employees and contractors (Employees) are aware of the continuous disclosure obligations of Swala; and
- (b) implement a procedure for the central collection, assessment and if required, release to the DSE, of material information.

2. THE LAW

2.1 Compliance with the Law

If Swala has information that the continuous disclosure provisions of the Listing Rules require Swala to notify the DSE and that information is:

- (a) not generally available; and
- (b) information that a reasonable person would expect, if it were generally available, to have a material effect on the price or value of Swala shares,

The Company must notify the DSE of that information in accordance with the Listing Rules.

2.2 Material Effect of Information on Swala Shares

Material information is such that:

*"A reasonable person would be taken to expect information to have a material effect on the price or value of securities (Swala shares) if the information **would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to acquire or dispose of, the securities.**"*

2.3 Breach – Offences, Infringement Notices and Liabilities

A person who is involved in any contravention by Swala of its continuous disclosure obligations may commit a civil and/or criminal offence. However, a person will not be liable if the person can prove that they:

- (a) took all steps (if any) that were reasonable in the circumstances to ensure that Swala complied with its continuous disclosure obligations; and

- (b) after doing so, believed on reasonable grounds that Swala was complying with its obligations.

A third party who incurs a loss as a result of a breach of Swala's continuous disclosure obligations may commence action against Swala.

3. THE DSE LISTING RULES

3.1 Swala Policy

Swala's Policy is that:

"Timely disclosure must be made of information which may affect security (share) values or influence investment decisions, and information in which security (share) holders, investors and DSE have a legitimate interest."

3.2 Continuous Disclosure Obligation to Release Material Information

The Listing Rules provide that a reasonable person would be taken to expect information to have a material effect on the price or value of securities (Swala Shares) if the information **would, or would be likely to influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, the securities.** Swala must make this material information public immediately.

"**Immediately**" should be taken to mean within hours of becoming aware of the information.

In this Policy, such information will be referred to as "**Material Information**".

3.3 Possession of Material Information

The company becomes aware of material information:

*"An entity becomes **aware** of information if a **director or executive officer has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive officer of that entity.**"*

An "**Executive Officer**" is any manager of Swala who is concerned with, or takes part in, the management of the Company.

3.4 Restricted Exemptions

Material information need not be released to the DSE if all of the following reasons in (a) to (c) apply:

- (a) a "reasonable person" would not expect the information to be disclosed;
- (b) the information is confidential (and DSE has not formed the view that the information has ceased to be confidential); and
- (c) one or more of the following applies:
- it would be a breach of law to disclose the information;
 - the information concerns an incomplete proposal or negotiation;
 - the information is insufficiently definite to warrant disclosure;
 - the information is generated for Swala's internal management purposes only; or
 - the information is a trade secret.

Decisions on whether any of these exemptions may apply to Material Information will be made by the Chief Executive Officer and/or the Company Secretary.

3.5 False Market

If the DSE considers that there is or is likely to be a **false market** in an entity's (Swala) securities (shares) and asks the entity (Swala) to give it information to correct or prevent a false market, the entity (Swala) must give DSE the information needed to correct or prevent the false market.

There is likely to be a **false market** in Swala shares in a number of circumstances including:

- (a) where Swala has Material Information that has not been released to the market because it falls under the exemption above; and
- (b) there is reasonably specific rumour or media comment in relation to Swala that has not been confirmed or clarified by an announcement to the market (via the DSE); and
- (c) there is evidence that the rumour or comment is having, or DSE forms the view that the rumour or comment is likely to have, an impact on the price of Swala shares.

4. POLICY

4.1 Overview

The Chief Executive Officer (CEO)/Managing Director (MD) and the Company Secretary are primarily responsible for ensuring that this Policy is implemented and enforced and that all required Material Information is disclosed to the DSE as required by the Listing Rules.

The CEO/Managing Director (MD) and the Company Secretary have been designated as the Company's disclosure officers.

In the absence of the CEO/Managing Director (MD) and Company Secretary, any matters regarding disclosure issues are to be referred to the Chairman.

4.2 Employee Responsibilities

All Employees of Swala, its subsidiaries or associated companies must immediately disclose full details of any Material Information that comes to their attention to the CEO/MD and/or the Company Secretary. If an Employee is unsure whether specific information would be Material Information, the Employee must immediately disclose full details of the information to the CEO/MD and/or Company Secretary.

4.3 Directors' and Executive Officers' Responsibilities

The Listing Rules require disclosure of Material Information that has, or ought reasonably to have come into the possession of a Director or Executive Officer. As such, all Directors and Executive Officers must keep up to date with all matters within their operations which may become material.

4.4 Compliance with Policy

The Board may require the Company's external auditors to audit and report on compliance with this Policy.

5. TYPES OF INFORMATION THAT MAY REQUIRE DISCLOSURE

5.1 Types of Information

For assistance in determining if information is Material Information, Employees are to refer to the CEO/MD and/or Company Secretary if various types of information may be material and therefore may be required to be disclosed.

5.2 Providing Public Information

As a listed company, Employees must ensure that only public information is provided when answering questions asked by third parties, including the media and analysts. Media statements or draft analyst reports will only be commented on or corrected by a Director or CEO/MD of the Company (or their express nominees) and should only be commented on or corrected if doing so involves the provision of publicly available information.

6. OBLIGATIONS OF THE CHAIRMAN, CHIEF EXECUTIVE OFFICER AND THE COMPANY SECRETARY

6.1 Obligations

As required by Section 4 of this Policy, full details of all actual or possible Material Information must be immediately sent to the CEO/MD and/or Company Secretary.

6.2 Company Secretary's Responsibilities

The Company Secretary has administrative responsibility for reviewing all information forwarded pursuant to this Policy and where necessary, for making a recommendation to the Chairman or CEO/MD on whether it is Material Information that must be disclosed to the DSE and/or falls within the exemption referred to in paragraph 3.4.

6.3 Procedures

The CEO/MD and/or Company Secretary must:

- (a) review all information forwarded pursuant to this Policy and assess what information may be Material Information which must be disclosed to the DSE;
- (b) provide advice to the Chairman;
- (c) following approval of disclosure by the Chairman and/or CEO/MD, release the information to the DSE; and
- (d) maintain a record of all Material Information disclosed to the DSE.

7. QUESTIONS

Any questions relating to the interpretation or enforcement of this Policy should be forwarded to the Company Secretary.