

PRESS RELEASE

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MINISTERIAL CONSENT TO FARM-OUT KILOSA KILOMBERO AND PANGANI LICENSES

Swala Oil and Gas (Tanzania) plc ('Swala' or 'the Company') is pleased to advise that it has received a no objection notice from the Ministry of Energy and Mines ("MEM") to the farm-out of 50% of its interests in the Kilosa-Kilombero and Pangani licences to Tata Petrodyne Limited ("TPL").

With the receipt of consents from the Tanzanian Petroleum Development Corporation, the Tanzanian Revenue Authority and now from the Ministry of Energy and Mines, the Company is awaiting only the consent of the Fair Competition Commission ("FCC"). The Company shall update the market once this final consent is received.

Dr. David Mestres Ridge, Swala CEO, said: "The rapid approval by our regulators to the farm-out of our two licences illustrates their desire to encourage activity in this important economic sector. We are confident that the FCC consent shall be received soon, which shall allow TPL to join the licence joint venture ahead of the planned drilling campaign."

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About Swala:

Swala is an affiliated company to Swala Energy Limited, a company in turn listed on the Australian Stock Exchange (ASX) with ticker "SWE". Swala holds assets in the world-class East African Rift System with a total net land package in excess of 17,500km². New discoveries have been announced by industry participants in a number of licences along this trend, including Ngamia and Twigga, which 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.