

PRESS RELEASE

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SWALA ANNOUNCES EXTENSION TO THE SECOND AND THIRD CLOSING DATES OF THE ORCA INVESTMENT

Swala Oil & Gas (Tanzania) plc ("Swala" or "the Company") today announced that Orca Exploration Group Inc. ("Orca") has agreed to an additional extension to extend the date by which the second closing and third closing of the previously announced investment by the Company in the Orca group of up to US\$130 million must be completed from 28 March 2018 to 11 May 2018. There are no assurances given that one or more of the transactions will be completed by 11 May 2018 or that they will be completed on the terms previously disclosed.

The transaction is awaiting the approval of the Information Memorandum by the Capital Markets and Securities Authority ("CMSA") and the Dar es Salaam Stock Exchange ("DSE"). The bonds subject to the Information Memorandum have been marketed to sophisticated investors in East Africa (including Tanzania) and elsewhere and will upon approval be listed for trading on the DSE.

Dr. David Mestres Ridge (Swala CEO) said: "We look forward to completing the approval process of the Information Memorandum that we originally filed on the 29th December 2017 and which has so far benefited from comments from both the CMSA and the DSE. On completion, the bonds shall list on the DSE and provide sophisticated investors with additional oil and gas debt instruments to complement existing portfolios."

For further information please contact:

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About Swala:

Swala is the first Oil and Gas company listed on an East African Stock Exchange with a significant local ownership. Swala holds assets in the world-class East African Rift System with a total net land package in excess of 14,000 km² as well as a 7.93% interest in PAE PanAfrican Energy Corporation. New discoveries have been announced by industry participants in a number of licences along this trend that 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 and globally.

About Orca Exploration Group Inc.

Orca is an international public company engaged in natural gas exploration, development and supply in Tanzania through its wholly-owned subsidiary, PAET. Orca trades on the TSX Venture Exchange under the trading symbols ORC.A and ORC.B. The Company's Project Agreements are more fully described in the Company's 2016 Annual Information Form, and available on www.orcaexploration.com.