

# PRESS RELEASE

(DSE:SWALA)

2nd Floor Oyster Plaza, Plot No.1196  
Oysterbay, Haile Selassie Road,  
P.O. Box 105266, DSM, Tanzania

TEL +255 (0) 755 687 785

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## UPDATE ON THE TRANSACTION WITH ORCA EXPLORATION GROUP INC.

Swala Oil & Gas (Tanzania) PLC (“**Swala**” or the “**Company**”) announces that, pursuant to the terms of its investment agreement dated December 29, 2017 (the “**Agreement**”) with Orca Explorations Group Inc. (“**Orca**”) in respect of PAE PanAfrican Energy Corporation (“**PAEM**”), the parties have agreed to terminate the Agreement as a result of Swala not acquiring additional shares in the capital of PAEM. Swala continues to hold 7.933% of the issued and outstanding shares of PAEM through the Company’s subsidiary Swala (PAEM) Limited.

For further information please contact:

**Swala Oil & Gas (Tanzania) plc**  
Ms. Janeth Mapundi  
Janeth.mapundi@swalaoilandgas.com  
www.swalaoilandgas.com

### 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 km<sup>2</sup> 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.