



SWALA ENERGY LIMITED
ACN 161 989 546

ASX Release (ASX: SWE)

2nd October 2014

Successful Completion of Seismic Acquisition Survey in the Moshi Basin, Tanzania

Swala Energy Limited ("Swala" or "the Company") is pleased to announce the successful completion of the 200 km 2D seismic acquisition programme carried out by its subsidiary company, Swala Oil and Gas (Tanzania) Plc ("SOGTP"), over the Moshi Basin in the Pangani licence in northern Tanzania (Figure 1). This programme will satisfy the work obligation for the Third Contract Year.

The preliminary interpretation of these new data has allowed SOGTP to identify a number of potential structural leads which after final processing of the field data, are expected, to define potential targets for SOGTP's 2015 drilling programme.

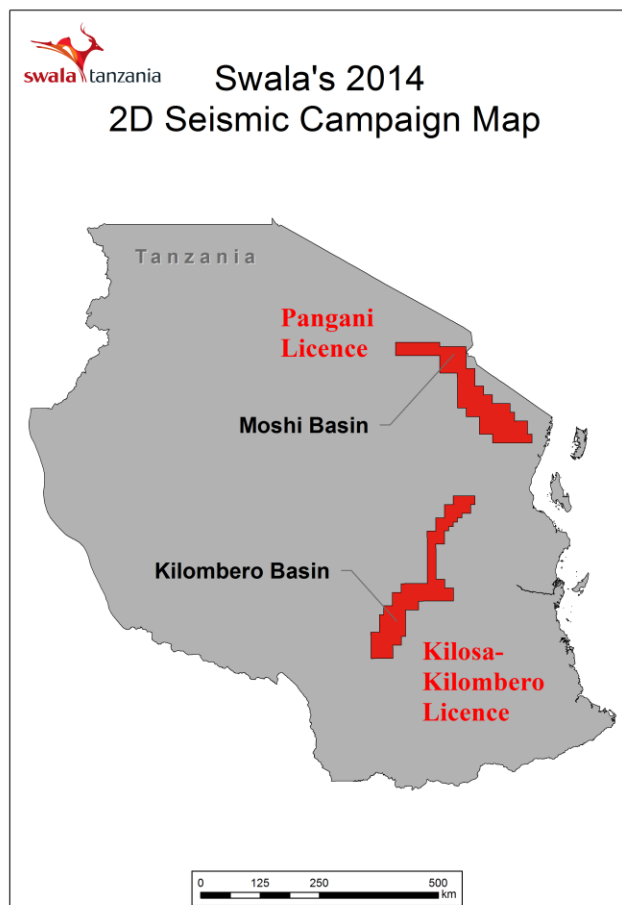


Figure 1: Map of Swala's 2014 Acquisition programme

Swala Energy Limited

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SOGTP's seismic acquisition programme will now focus on the Kilombero basin, in the Kilosa-Kilombero licence, where it will acquire a further 430km of new 2D seismic data over the area where it identified the Kito Prospect in 2013. These data will be mainly acquired over the leads that were also identified in 2013 so as to mature them as potential future drilling targets.

Dr. David Mestres Ridge, Swala's CEO said "The successful completion of this first phase in the 2014 seismic campaign in the Moshi basin has progressed quickly and is a credit to the teams from the newly-listed SOGTP and its seismic contractor Polaris (Tanzania) Limited. The SOGTP geotechnical team will now interpret the data over the structural leads it has identified in the Moshi survey with the aim of maturing them into prospects as potential future drilling locations."

For further information please contact:

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About Swala:

Swala Energy Limited is an Australian oil and gas company listed on the Australian Securities Exchange ("ASX") under the ticker code "SWE". Swala's holdings are predominantly in the world-class East African Rift System with a total net land package in excess of 18,000km² in Kenya, Tanzania and Zambia. New discoveries have been announced in a number of licences along this trend, including Ngamia, Twiga and Etuko, which extend the multi-billion barrel Albert Graben play into the eastern arm of the rift system. Swala has an active operational and business development programme to continue to grow its presence in the promising hydrocarbon provinces of Africa.

Joint Venture:	
Participants in the Kilosa-Kilombero and Pangani Licences	Participating Interest %
Swala Oil and Gas (Tanzania) PLC (Operator)	50%
Otto Energy (Tanzania) Pty Ltd (Wholly owned subsidiary of Otto Energy Ltd (ASX: OEL))	50%

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