

ASX RELEASE

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MINISTERIAL CONSENT TO FARM-OUT KILOSA-KILOMBERO AND PANGANI LICENCES

Swala Energy Limited ("Swala" or "the Company") is pleased to advise that its subsidiary company Swala Oil and Gas (Tanzania) Plc ("SOGTP") has received a no objection notice from the Tanzanian Ministry of Energy and Mines 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 the Tanzanian regulators to the farm-out of the SOGTP 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 Energy Limited: 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.