



Media release

Ethiopia's SouthWest Energy Releases Competent Persons Report –

Net Oil Potential - 1.56 Billion Barrels to 2.90 Billion Barrels

London and Addis Ababa 08 April 2013 - SouthWest Energy announces Senergy Competent Persons Report results for Prospective Resources in Gambella and Jijiga Basins, Ethiopia – Best Estimates of 1.56 Billion and High of 2.9 Billion Net Undiscovered Play Assessed Prospective Resources.

SouthWest Energy (HK) Ltd is pleased to announce the results of the Competent Persons Report (CPR) prepared by independent consultant Senergy (GB) Limited (Senergy) for the company's Gambella basin block(s) (extension of the high producing Melut basin in South Sudan) and blocks 9A, 9 and 13 in the Jijiga basin (subset of Ogaden basin in Ethiopia).

The Chairman and CEO of SouthWest Energy, Mr. Tewodros Ashenafi commented: "I am very pleased to announce the result of the CPR by Senergy, which I consider a significant step forward for our company and a strong validation of our work to date.

"The report confirms what we have always believed; our blocks have strong oil potential. Our work now turns to the next phase of exploration, to further refine the seismic data set and look towards our well programme, which we hope to commence later this year."

The release of the CPR report was welcomed by, Mrs. Sinkinesh Ejigu, Minister of Mines for the Federal Democratic Republic of Ethiopia.

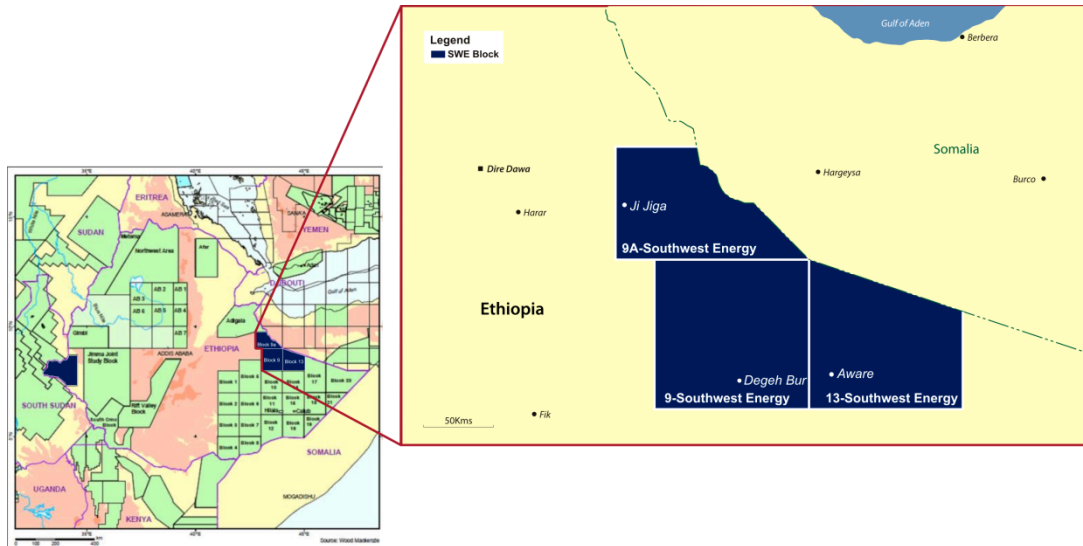
"I am pleased to note the release of this important report from Ethiopian oil and gas exploration company SouthWest Energy. I congratulate the company and wish it every success in this important next step in the quest to find onshore oil in our country."

Overview of CPR

The CPR concluded the potential of the Gambella and Jijiga basins have best estimate Prospective Resources of 1.56 billion barrels and a high of 2.9 Billion Net Undiscovered Play Assessed Prospective Resources. This estimate is based on 16 potential traps within SWE's approximately 29,000km² in blocks 9A, 9 and 13 (out of the wider Basin's total acreage of 367,000km²) and 8 traps within the 17,000km² in the Gambella Basin. Senergy has determined SWE's blocks to be frontier but potentially high reward oil exploration acreage.

The CPR notes that drilling and exploration activity is increasing in the East Africa region. The work done and data collected so far in the Jijiga Basin have given a strong indication of a working petroleum system. The Gambella basin on the other hand is an extension of the producing Cretaceous Melut basin of South Sudan. The play here is clastic sediments sourced from lacustrine shales. SWE plans to drill three initial exploration wells in the Jijiga basin during the course of 2013 and 2014.

Map (below): SWE concessions shaded in blue on the eastern and western parts of the country, with zoom-in of the three blocks in the Jijiga Basin.



Data Sources

The Gambella Block database comprises reconnaissance seismic data, information from the two wells drilled to date in the licence and surface geochemical data evaluation results.

The Jijiga seismic database in Blocks 9A, 9 and 13 comprises an approximately 10 km grid spacing comprised of 1,500 km of 2D seismic data acquired by SWE in 2011/2012 together with older 2D data acquired in 1992 by Maxus. A full tensor gradiometer (FTG) survey with grid spacing of 2x2 km, the first of its kind in Ethiopia, was also acquired and has been integrated with the seismic data, gravity and magnetic data, geochemical analysis of surface samples and results from exploration wells drilled in the adjacent Ogaden basin.

CPR Methodology

Senergy prepared the CPR in accordance with the 2007 and 2011 Petroleum Resources Management System (PRMS) prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE) and reviewed and jointly sponsored by the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG) and the Society of Petroleum Evaluation Engineers (SPEE).

The CPR provides an independent evaluation of oil resource potential attributable to the Gambella Basin and blocks 9A, 9 and 13 in the Jijiga Basin. A play level evaluation has been used by Synergy to assess the conceptual resource potential of the blocks using the database supplied by SWE and information on analogous basins published by the US Geological Survey. N.B. All figures in this announcement refer to barrels of oil ultimately recoverable.

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About SouthWest Energy Limited

SouthWest Energy is Africa's leading indigenous oil and gas exploration and production company. As of January 2012 it is in the top 10 oil and gas acreage holders in East Africa and has a leading acreage position in the Jijiga Basin, in the Ogaden, Ethiopia's largest proven hydrocarbon system. SouthWest Energy was formed in 2005 and is the only Ethiopian company to successfully obtain an energy concession in Ethiopia. The Company has an experienced board and management team, strong corporate leadership and operational capabilities. The board of directors is supported on strategy and future direction matters by a high calibre advisory board comprising some very successful and prominent individuals in business and diplomacy. All directors and advisory board members are shareholders in SouthWest Energy.

For more information about SouthWest Energy, visit: www.sw-oil-gas.com

About Senergy

Senergy (GB) Limited is a leading global provider of diversified energy consulting services. The company was established in 1990, with offices in Aberdeen, London, Stavanger, Abu Dhabi, Perth and Kuala Lumpur. The company specializes in petroleum reservoir engineering, geology and geophysics and petroleum economics. All of these services are supplied under an accredited ISO9001 quality assurance system.

For more information about Senergy, visit: www.senergyworld.com