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Sacoil Quarterly Operations Update
SACOIL HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
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("Sacoil" or "the Company")

Sacoil Quarterly Operations Update

Sacoil, the South African based, independent African oil and gas company listed on the JSE and AIM

(JSE: SCL / AIM: SAC) is pleased to provide the following update on the Company's on-going

operational activities in the Democratic Republic of Congo ("DRC"), Nigeria, Malawi, and Botswana.

Sacoil, under the guidance of its new board of directors, remains focussed on delivering its vision to

build a balanced portfolio of assets from exploration to established production and cash flow in

Africa.

The Company is pleased with the progress of its existing portfolio of exploration and appraisal assets, and continues to evaluate a number of opportunities to secure new value accretive acreage in other established and prolific African hydrocarbon basins.

Highlights:

- DRC, Block III: 2D seismic data planning and acquisition
- Nigeria, OPL 233: Execution of 2013 work program and 3D Seismic data acquisition
- Nigeria, OPL 281: Re-interpretation of seismic and well data
- Malawi, Block 1: Planning of environmental and social impact assessment
- Botswana, granting of Licenses 123, 124 and 125

DRC, Block III: 2D seismic data planning and acquisition

As previously announced, Total E&P RDC ("Total") successfully acquired an airborne gravity and

magnetic survey over the northern part of Block III outside the Virunga National Park.

The interpretation of the processed gravity and magnetic survey confirms the geological trend

observed in the adjacent concessions in Uganda. Features similar to those found to be oil-bearing in

Uganda in the Albertine Graben have been observed and identified with the new data. With this

positive and exciting geological information, planning for the acquisition of a 2D seismic survey has

begun. The current design envisages the acquisition of a minimum of 400 km of 2D seismic data.

There has been a delay of approximately six months to the planned work program, as a result of civil

unrest to the south of our area of activity. With the situation on the ground now stabilised, it is

anticipated that the seismic acquisition will take place within the next dry season in Q1 2014.

Nigeria, OPL 233: Execution of 2013 work program and 3D Seismic data acquisition
As previously reported the Work Program and the Work Program Budget for 2013 were approved by

National Petroleum Investment Management Services (NAPIMS) during March 2013. Following the

approval, the OPL 233 JV Partners (the "JV Partners") have reworked the existing seismic data on OPL

233, and incorporated further data on the South-Western portion of the

concession, providing an

integrated geological understanding of the acreage and the region. Whilst inherent uncertainties remain in the current data due to the dated vintage, poor quality and uncertain navigation parameters, the JV Partners remain optimistic on the contingent resources and potential upside. In addition, the JV Partners have identified a number of additional prospective leads for subsequent investigation and possible drilling.

Execution of 2013 work program

In preparation for the 3D Ocean Bottom Cable ("OBC") Seismic survey on OPL 233, a contract for

Environmental Impact Assessment (EIA) has been awarded to Tidalflo Nigeria Limited. Tidalflo has

already completed the wet season sampling on schedule, and will undertake the sampling for dry

season during November 2013.

Seabed Hazard Survey: Further to an invitation to tender to qualified companies for a geohazard

survey over OPL 233, involving surveying the OPL 233 seafloor with sidescan sonar apparatus, a

preferred contractor has been selected and discussions towards the finalization of the contract and

mobilization to site are underway.

3D OBC Seismic Survey: Three companies were invited to tender for the contract to conduct the

survey to acquire 3D OBC Seismic Data. The JV Partners have completed the evaluation processes

with respect to the Technical and Commercial bids, along with the representative from NAPIMS.

Requisite site visits were carried out to do a physical evaluation of equipment tendered by the

bidders. The contract was subsequently awarded to the Geomarine, and discussions towards the

finalization and mobilization of the OBC seismic survey are underway.

3D OBC Data Processing: Similarly, tenders have been invited for the data processing of the 3D OBC

Seismic survey. The tenders have been evaluated and a preferred contractor has been identified with

award process to be finalized within the next couple weeks.

Nigeria, OPL 281: Re-interpretation of seismic and well data

Similar to OPL 233, SacOil has performed a technical review of the borehole and 3D seismic data on

the lease. Management is satisfied that, despite some uncertainties in the data, the current estimate

of contingent resources as reported by AGR TRACS, may be conservative and with further evaluation

it is our opinion that the resources may actually be more substantial than initially anticipated. The

potential increase in resources can be attributed to several deeper channel leads and prospects,

which holds a possibility of adding to the prospective resources of OPL 281.

Malawi, Block 1: Planning of environmental and social impact assessment

At 12,265 square kilometres, Block 1 is the second largest petroleum exploration licence demarcated

in Malawi. SacOil has an exclusive 100% interest and operator status in this block.

Block 1 is located in the North-Western part of Malawi bordering Tanzania to the north and Zambia

to the west. The licence area is located on trend with the East African rift system which is a proven

exploration province with prolific oil discoveries in Sudan, Chad, Kenya and Uganda. Through initial

work completed, the SacOil technical team anticipates that the same Tertiary rift system will be

present in Malawi which may, therefore, potentially yield deposits of hydrocarbons. Following the award of Block 1, in Malawi, December 2012, initial planning associated with the environmental and social impact assessments are underway. In consultation with the Malawian government, SacOil is currently targeting to have all environmental work completed by Q3 2014.

Botswana, Licenses 123, 124 and 125

SacOil has embarked on a process of collating all geological information available on the petroleum prospectivity pertaining to these licences. A review of this information is currently underway. The three licences cover an area of approximately 49,463 square kilometres.

Jordaan Fouche, VP Technical, commented:

"SacOil continues to make strides on understanding the technical and commercial merits of the projects through the execution of the work programs on the assets. We remain confident and optimistic that expenditures on the Nigerian assets will result in additions to the Company's existing resources and ultimate conversion to reserves and hydrocarbon production."

Qualified Person Review

This release has been reviewed by Bradley Cerff, Vice President Operations, who is a member of the

Society of Petroleum Engineers with 16 years' experience in petroleum exploration and management. Bradley Cerff has consented to the inclusion of the technical information in this release

in the form and context in which it appears.

08 November 2013

Johannesburg

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