

**Europa Oil & Gas (Holdings) plc ('Europa' or 'the Company')**  
**Update on Wressle, North Lincolnshire**

Europa Oil & Gas (Holdings) plc, the UK and Ireland focused oil and gas exploration, development and production company, notes today's update from Egdon Resources ('Egdon') in its Preliminary Results with regards to its commitment to gaining planning consent for the Wressle oil field development on PEDL 180 in the East Midlands. Europa has a 30% working interest in Wressle alongside Egdon (operator, 30%), Union Jack Oil (27.5%), and Humber Oil & Gas Limited (12.5%) ('the Joint Venture partners').

**Europa's CEO, Hugh Mackay, said:** "It is clear that Egdon is committed to securing the planning consent at Wressle. The operator has carefully set out to address the issues identified in its revised planning application which it expects to be heard by the committee before year-end. That Egdon has increased its working interest in the asset demonstrates its confidence in being able to develop Wressle to commercial production, and we share its optimism that this is an achievable target."

**Information from Egdon's RNS published today regarding the Wressle oil field is as follows:**

Excerpt from Egdon's Chairman's Statement

We remain committed to gaining planning consent to develop the Wressle oil discovery and have acquired a further 5% interest in this asset during the period emphasising our confidence in the asset. We await the council's determination of our revised planning application, submitted in July 2018 following the January 2018 rejection of our earlier planning appeals, and remain ready to take this through another appeal process if required.

Excerpt from Egdon's Operating Review

At the Wressle project, in early July 2018 we announced the submission of a new planning application for the development of the oil discovery to North Lincolnshire Council ("NLC"). The Company strongly believes that the new application takes full account of the key findings of the Planning Inspector's decision to dismiss the Company's appeals as set out in his decision letter of 4 January 2018, which identified three key issues in his decision: the absence of a ground conditions survey report; the absence of sufficient evidence on the adequacy of the Geosynthetic Clay Liner (GCL) covering; and uncertainty with regards to the near surface geology, specifically the presence of capping layers to the underlying aquifers.

The first issue has been addressed by the production of an independent Ground Investigation Report using information gained from geotechnical site investigation boreholes drilled in Q1 2018.

The second issue has been addressed through the proposed reconfiguration of the wellsite to install a new high-density polyethylene (HDPE) impermeable membrane above the existing GCL, with additional associated protection layers across the entire wellsite. The specification of the HDPE impermeable membrane, associated protection layers and thickness and suitability of the stone covering layer, has been tested and validated in a laboratory, and agreed between the membrane manufacturer and Egdon's consulting civil and structural engineers.

The third issue has been addressed through an updated independent Hydrogeological and Flood Risk Assessment (HRA), which includes the results of samples tested from two deeper cored boreholes drilled in Q1 2018, which conclusively demonstrates the presence of laterally continuous capping layers to the underlying aquifers.

The proposed development incorporates high levels of embedded mitigation, the effectiveness of which will be verified by continuous monitoring of the nearby water and groundwater.

Egdon also plans to set up a community liaison group and a community fund to ensure the local community are kept fully informed and share in the benefits of the Wressle development.

Whilst we have increased our efforts to convince the members of the NLC Planning Committee of the clear merits of our new application, our recent experiences mean we remain fully prepared to take this new application through another appeal process. As the most recent example of their apparent intransigence, on 1 August 2018 the NLC Planning Committee refused our application to extend the existing consent for the Wressle site despite a recommendation for approval from their own professional planning officers. The reasons cited were conflicts with paragraph 205 of the National Planning Policy Framework and policy M21 of the North Lincolnshire Local Plan even though in his decision of January 2018 the Inspector found in Egdon's favour on our appeal against the same reasons. We have now submitted an appeal against this decision and await the timeline for the process. We anticipate the current application being heard by committee before the end of 2018.

Notwithstanding the issues experienced to date, and demonstrating our commitment to and confidence in the Wressle field development, in June 2018 we announced the acquisition of an additional 5% interest in PEDL180 and PEDL182 from Celtique Energie Petroleum Limited for a deferred cash consideration of £0.417m payable on commencement of production.

## Outlook

Our main operational activity during the coming period will be focused on:

- Securing planning consent and developing the Wressle discovery for commercial production

**\*\* ENDS \*\***

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### **Notes**

Europa Oil & Gas (Holdings) plc has a diversified portfolio of multi-stage hydrocarbon assets that includes production, exploration and development interests, in countries that are politically stable, have transparent licensing processes, and offer attractive terms. In 2018 Europa produced 94 boepd. Its highly prospective exploration projects include the Wressle development in the UK (targeting production start-up in 2019 at 500 bopd gross) and six licences offshore Ireland with the potential to host gross mean un-risked prospective resources of 6.2 billion barrels oil equivalent and 2.5 tcf undiscovered GIIP across all six licences.