

Egypt Update

The Directors of Europa Oil & Gas (Holdings) plc ('Europa') are pleased to announce that the Egyptian General Petroleum Corporation ('EGPC') have granted Europa a six month extension on the first phase of the West Darag Concession in order to permit the acquisition of approximately 350km of 2D seismic data prior to making the decision to enter into Phase 2 of the Concession.

Europa, along with its partner Solaris Energy plc, has identified several structural leads each with reserves potential of 15 – 35mmbo recoverable in the Sukhna area of the concession. Sukhna is a coastal plain where the Gulf of Suez ('GOS') rift comes onshore and its proven petroleum system is indicated to extend into the area of these mapped leads. The GOS, despite its small overall size, is an extraordinarily prolific petroleum system, having produced over 5 billion barrels to date.

Although Europa has made significant progress with the existing seismic data, it has been unable to reprocess the existing seismic as planned due to degradation of the original tape records and has decided to progress directly to seismic acquisition with the objective of firming up drillable targets. The preferred contractor for this new seismic acquisition has indicated its availability to undertake the survey in July. The cost of the survey, detailed in the winning tender, will for the most part be covered by the existing letter of guarantee that Europa provided in favour of EGPC.

Paul Barrett, Managing Director, said 'We are grateful to EGPC for understanding the problems we have had with the existing seismic records and allowing this extension to Phase 1. It gives us a great opportunity to develop a drillable onshore prospect in a known oil basin with excellent local infrastructure. We are looking forward to utilising these new data to define a drilling location to allow us to commit to Phase 2 and to drill in 2010'.

For further information, please contact;

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