

**Europa Oil & Gas (Holdings) plc ('Europa' or 'the Company')**  
**Positive Holmwood Update**

Europa Oil & Gas (Holdings) plc, the AIM quoted oil and gas company with a combination of producing and exploration assets in Europe, is pleased to confirm that Surrey County Council's Planning & Regulatory Committee has granted permission for the underground drilling corridor of an exploratory borehole at the Holmwood prospect ('Holmwood') in the PEDL143 licence in the Weald Basin. Europa holds a 40% interest in PEDL 143, which contains the conventional Holmwood prospect, alongside Egdon Resources (18.4%), Altwood Petroleum (1.6%), Warwick Energy (20%) and UK Oil & Gas Investments (20% subject to completion of farm-in).

The Holmwood prospect is to be drilled as a deviated exploration well. Europa and its partners now have planning permission for both the surface site and the underground drilling corridor. Next steps will include fulfilment of planning conditions and commencement of detailed drilling planning and environmental permitting. It is anticipated that drilling will take place in late 2016 or in 2017. Europa and its partner Warwick Energy intend to farm out some of their combined 60% equity in licence PEDL 143. The farm out process has already commenced and further updates will be provided as when it is appropriate to do so.

An application for planning permission to drill the Holmwood prospect on PEDL143 was submitted in 2008 and was dismissed by Surrey County Council in 2011. A planning appeal in 2012 was dismissed by the Planning Inspectorate. Europa successfully challenged this decision in the High Court in 2013. In 2014 the Court of Appeal upheld the 2013 High Court judgment in the Company's favour and a second planning appeal was heard at an eight day public inquiry in April and June 2015. The Planning Inspectorate issued a decision to allow the remitted appeal on 7 August 2015 and Surrey County Council allowed planning permission for the underground drilling corridor on 23 September 2015.

Europa provided the following information in its Geological Proof of Evidence submitted at the Planning Inquiry in April 2015: "In the event of a successful oil discovery at Holmwood and based on the most likely resource in place then the field is projected [by Europa] to have a Present Value of around £137 million at 60 \$/bbl oil price in 2015 rising to 92 \$/bbl by 2018 and inflated at 2% thereafter. After taking costs and discounting into account the Net Present Value to the Government based on current taxation rates will be around £86 million with around £51 million accruing to the Licensee group. As such the Holmwood prospect is considered of material value to both the Government and the Licensee."

CEO Hugh Mackay said "Following Surrey County Council's favourable decision, we are meeting with our joint venture partners and reviewing plans to take the Holmwood prospect forward to drilling. With gross mean un-risked prospective resources of 5.6 million barrels of oil, as estimated in a CPR published in June 2012, Holmwood would be the UK's fifth largest

onshore field were the mean resources case to be proved by drilling success. Combined with a one in three chance of success, we therefore regard Holmwood as one of the best undrilled conventional prospects in onshore UK. I look forward to providing further updates, as we look to build on our success at Wressle and in the process transform our revenue and reserves profile.”

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

For further information please visit [www.europaoil.com](http://www.europaoil.com) or contact:

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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 H1/2015 Europa produced 144 boepd generating sufficient revenues to cover corporate overheads and some exploration expenditure. Its highly prospective exploration projects include the Wressle discovery (recently drilled and tested at an aggregate of 710 boepd from 4 zones) in the UK; 100% owned gas exploration prospect (107 bcf) and appraisal project (CPR 277 bcf) in onshore France a joint venture with Vermillion Energy also in onshore France; and two licences in offshore Ireland with the potential to host gross mean un-risked Prospective Resources approximately 1.7 billion barrels across both licences.