Europa Oil & Gas (Holdings) plc / Index: AIM / Epic: EOG / Sector: Oil & Gas

7 April 2016

Europa Oil & Gas (Holdings) plc ("Europa" or "the Company")

Interim Results

Europa Oil & Gas (Holdings) plc, the AIM listed oil and gas exploration and production company with a combination of producing, appraisal and exploration assets in Europe, announces its interim results for the six month period ended 31 January 2016.

Highlights

- Three new UK onshore awards in 14th round: a gas appraisal project; an oil field rejuvenation project; and a pure conventional exploration licence.
- Positive Holmwood planning decision – preparations underway to drill exploratory well targeting gross mean unrisked prospective resources of 5.6 million boe in the Weald Basin.
- Decision to proceed with Wressle development – on course to commence production later in 2016.
- Independent assessment estimates mean unrisked NPV of US$7 billion for three prospects in FEL 3/13 assuming 100% interest following Kosmos withdrawal.

Financial performance

- Revenue £0.6 million (H1 2015: £1.3 million).
- Pre-tax loss prior to field impairments of £0.6 million, (H1 2015: pre-tax tax loss prior to field impairments £0.3 million).
- Pre-tax loss post field impairments of £0.6 million (H1 2015: pre-tax loss post field impairments of £1.4 million).
- Net cash used in operating activities £0.5 million (H1 2015: cash generated £0.2 million).
- Cash balance at 31 January 2016 £1.8 million (31 July 2015: £3.2 million).

Post reporting date events

- Effective 1 March 2016, Europa was awarded Licensing Option LO 16/2 offshore Ireland

Europa's CEO, Hugh Mackay said, "The six months under review highlight how well Europa is placed to not just weather the current oil price environment, but also to continue to advance its ever-growing multistage portfolio of licences, even with an oil price of US$40 per barrel. Our existing UK onshore production is set to double in the second half of calendar year 2016 once the Wressle discovery comes online. As well as providing a significant boost to our revenues, we expect that Wressle will reduce our break-even oil price to approximately US$30 per barrel.

Combined with no debt and net cash as at 31 January 2016 of £1.8 million, this will provide us with an excellent cash flow generative platform with which to develop our portfolio.

“This includes our 100% interest in FEL 2/13, FEL 3/13 and LO 16/2 offshore Ireland, which have combined gross mean un-risked prospective resources of approximately 3 billion boe; the Holmwood prospect located close to the Horse Hill discovery in the Weald Basin, which we are planning to drill within the next twelve months; as well as the three new highly prospective UK onshore licences, two of which have already been proven to hold hydrocarbons. I look forward to providing further updates on our progress, as we seek to close the gap between our current market cap and the value of our net mean risked and diluted resources of 99mmboe.”

For further information please visit www.europaoil.com or contact:

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Qualified Person Review

This release has been reviewed by Hugh Mackay, Chief Executive of Europa, who is a petroleum geologist with over 30 years' experience in petroleum exploration and a member of the Petroleum Exploration Society of Great Britain, American Association of Petroleum Geologists and Fellow of the Geological Society. Mr Mackay has consented to the inclusion of the technical information in this release in the form and context in which it appears.

Chairman’s Statement

Despite the low oil price environment seen in the six months to 31 January 2016, Europa has continued with its programme of selectively expanding its portfolio and maturing its assets.

Highlights during this period have included:

- The addition of a strategically important exploration block LO 16/2 adjacent to our FEL 3/13 licence in the Porcupine Basin, offshore Ireland. This acreage was awarded in the first phase of the recent Atlantic Margin Licensing Round, which was a highly competitive process, with awards being granted to a number of major international oil companies, including Eni and BP, ExxonMobil, Nexen, Statoil, and Woodside. Europa has made additional licence applications and awaits the outcome of the second and final phase of awards scheduled for mid-May with great interest.
- Europa has identified three prospects on the area covered by the newly awarded Licensing Option with gross mean unrisked prospective resources of 895 million barrels of oil equivalent (“boe”), which is in addition to the 1.5 billion boe identified on FEL 3/13.

- Following Kosmos' decision to withdraw from the two Irish exploration licences in the Porcupine Basin where it was carrying Europa through a discretionary exploration programme, Europa has commenced a farm-out process for FEL 2/12 and FEL 3/13. We have seen considerable interest from major oil companies and will report on progress in due course.
- Work continues on the development plan for Wressle, following the initial discovery and well test which flowed at an aggregate of 710 boepd from four tests in three conventional sandstone reservoirs.
- The addition of three new exploration licences in the 14th UK Onshore licensing round, which are in highly prospective locations and, in the case of Cloughton and Hardstoft, include wells which have already demonstrated that hydrocarbons are present.
- Planning approval was obtained for an exploration well at Holmwood, which is a conventional prospect with gross mean unrisked prospective resources of 5.6 million boe. Located in the Weald Basin, near the recent drilling success at Horse Hill, Holmwood is a very exciting prospect for Europa and its partners.

These activities are part of our ongoing programme to mature and grow our portfolio of prospects and leads and most importantly prove these up via the drill bit. We also continue to evaluate new venture opportunities with the aim of strengthening our portfolio.

All of this has been against a backdrop of a continued period of low oil prices which has seen the price of Brent crude average US$42.8 bbl during the six months to end January 2016. The oil price collapse has seen a number of E&P companies suffer from a combination of significantly reduced cash-flow coupled with high debt repayments, resulting in corporate failure or forced asset sales. Europa's Board continues to work hard to manage costs and to avoid incurring debt for its activities, preferring instead to farm out exploration obligations wherever possible.

Financials

The weakening oil price, and the natural decline in our production, has caused revenue to fall. During the first half of 2016 an average of 124 boepd were recovered from our three UK onshore fields which generated £0.6 million in revenue (H1 2015: 145 boepd and £1.3 million). Administrative expenses of £355,000 were significantly reduced in the period (H1 2015: £612,000 included non-recurring expenditure on 14^{th} Round licence applications and legal expenses related to the Tarbes farmout). Stringent cost controls will continue to be applied in the second half of the year.

Net cash spent on operations was £0.5 million (H1 2015: cash generated £0.2 million). Purchase of intangible fixed assets £0.9 million (H1 2015: £1.2 million) included £0.4 million spend on Wressle and £0.2 million of final payments relating to the Kiln Lane well. Our cash balance at 31 January 2016 was £1.8 million (31 July 2015: £3.2 million).

Though the decision to proceed with the development of Wressle has been taken, the asset has remained classified as an intangible fixed asset at the reporting date, as planning consent for the development has not been received.

Wressle production at an expected gross initial flowrate of 500 bopd, even at today's US$40/barrel oil price, will return Europa to a positive operating cash-flow. It should be noted that following the March Budget which announced a reduction in the Supplementary Charge with effect from 1 January 2016, future profits will be taxed at 40% (previously 50%).

Outlook

Whilst the current oil price presents challenges for all E&P companies, I am confident that Europa has an excellent portfolio of assets and opportunities. The recent awards in Ireland and the UK have been the result of many months of hard work by Hugh and the team and will ensure that Europa continues to have a broad range of licence interests at various stages of maturity. We still await news on Phase 2 of the Atlantic Margin Licensing Round where we have a number of outstanding applications.

We have seen the results of the initial technical work on our Porcupine Basin interests translated into prospective resources confirmed by a Competent Persons Report on FEL 3/13 with Europa exposed to 1.5 billion boe of gross mean unrisked prospective resources with a mean Risked NPV10 of US$7 billion. This does not include the recently awarded Licensing Option with a further 895 million boe and FEL 2/13 with 595 million boe of gross mean unrisked prospective resources. These are world class prospects in an area which has seen considerable interest from major oil companies in the last six months. This bodes well for our ongoing farm out discussions.

In the UK, with Wressle moving from prospect to discovery, we are poised to see an increase in production, revenue and cash-flow, which should coincide with work preparing for the exploration well at Holmwood.

Finally, I would like to thank the management and operational teams, directors and advisers for their hard work and also our shareholders for their continued support over this six month period.

Colin Bousfield
Chairman
6 April 2016

Operational review

Europa operates exploration, production and appraisal assets across three EU countries: Ireland, the UK and France.

Ireland – Porcupine Basin Frontier Exploration Licences ("FELs") 2/13 and 3/13 100% (Doyle A/B/C, Heaney and Beckett, Wilde, Shaw)

Europa was initially inspired to enter the South Porcupine Basin in 2011 on the basis of the Cretaceous stratigraphic play: comprising Early Cretaceous turbidite sandstone reservoirs; charged by mature Late Jurassic and Early Cretaceous source rocks and contained in stratigraphic traps with elements of structural closure. The Cretaceous play in the Porcupine is essentially undrilled and is considered to be analogous to the Cretaceous play in the equatorial Atlantic Margin province that has delivered the Jubilee and Mahogany oil fields. Since 2011 there have been new exploration discoveries in the Atlantic basins that are also relevant to the Porcupine and we have the benefit of unique insights from our proprietary 3D seismic. In the Flemish Pass basin offshore Newfoundland Statoil has pioneered the pre-rift play with their Bay du Nord discovery. In offshore Senegal Cairn's SNE discovery has opened our eyes to the potential for early post-rift sculptural events in the Porcupine. There are therefore at least three essentially undrilled exploration plays in the South Porcupine Basin.

2,500km^2 of 3D seismic data was acquired in 2013 over FEL 2/13 and 3/13 and what is now LO 16/2 by the then operator Kosmos Energy and this provides the foundation for our work. Europa conducted its own independent prospect mapping and this provided the basis for a CPR by ERC Equipoise ("ERCE") on the prospects and risks in FEL 3/13. ERCE identified gross mean un-risked Prospective Resources of approximately 1.5 billion barrels of oil equivalent ("boe") across three prospects in FEL 3/13 and gross mean risked Prospective Resources of 235 million boe. A summary of the CPR was provided to the market in an RNS dated 12 May 2015. The CPR provides a strong endorsement to Europa's long held view that the Porcupine Basin has the potential to become a major new North Atlantic hydrocarbon province.

In addition to the CPR, Europa also commissioned ERCE to complete an independent assessment of the value of its interests in FEL 3/13. The results of the study were released to the market in an RNS on 16 June 2015. At the time Europa held a 15% net interest in the three prospects on the licence which ERCE estimated had a mean Unrisked Net Present Value at a 10% discount ("NPV10") of approximately US$1.6 billion. Kosmos has since decided to withdraw from Ireland and as a result Europa has assumed a 100% interest in both licences. While this does not change the Gross Unrisked Prospective Resources of 1.5 billion barrels on FEL 3/13's three prospects, ERCE has adjusted the mean Unrisked Net Present Value ('NPV') to approximately US$7 billion to reflect Europa's 100% interest. On a Risked NPV basis the study estimates a 100% working interest at US$1.1 billion. As with the CPR, the valuation has been subjected to rigorous technical challenge and scrutiny by ERCE.

Europa considers the prospects in FEL 3/13 to be at drillable prospect status. As a consequence of its detailed work in preparation for the CPR, Europa has identified both a prospect and shot point location for what would be a play-opening first well in FEL 3/13. The next step is to prove up the prospective resources via the drill-bit. With this in mind, on 11 January 2016 Europa opened a data room for the farm-out of both FELs 2/13 and 3/13. The target farm-in candidates are major and mid-cap oil companies. The Company will not provide a running commentary on the farm-out progress other than to comment that the response has been very good and significant majors and mid-caps have already visited and/or have booked times to visit our data room.

During the course of its mapping of FEL 2/13, Europa has identified new prospects and leads to those initially identified by Kosmos in the RNS of 8 December 2014 with gross mean unrisked Prospective Resources of 123 million barrels of oil ("mmbo") for Doyle A and 69 mmbo for Doyle B. Europa has now identified four prospects Doyle A, B, C and Heaney with combined gross mean un-risked prospective resources of 595 million boe.

2015 Atlantic Margin Licensing Round and Licensing Option 16/2 ('LO 16/2')

Effective 1 March 2016, Europa was awarded a 100% interest in LO 16/2 in the South Porcupine Basin. LO 16/2 comprises 522km^2 of ground and adjoins the eastern boundary of FEL 3/13. Europa has identified three new pre-rift prospects in LO 16/2 with combined gross mean unrisked prospective resources of 895 million boe which were mapped on what is now Europa's proprietary 3D seismic acquired in 2013. The next steps on LO 16/2 will be to invest further technical work to mature the prospects to drillable status and deliver a CPR later in 2016.

There is clear technical and commercial synergy between LO 16/2 and FEL 3/13, and as a result LO 16/2 will be included as part of the ongoing farm-out discussions. The combined gross mean unrisked prospective resources across the three licences are almost 3 billion boe (see table below). For the avoidance of doubt prospective resources are by definition recoverable.

Licence	**Gross mean unrisked prospective resources million boe**	**Comment**
FEL 3/13	1,492	ERCE CPR
LO 16/2	895	Europa in-house
FEL 2/13	595	Europa in-house
Total	**2,982**	

Licence awards in the 2015 Atlantic Ireland round are being conducted in two phases. The first phase announced on 11 February 2016 was designed to accommodate applications in areas where seismic acquisition surveys were planned for summer 2016. Whilst Europa was awarded LO 16/2 in Phase 1, the Company has not offered firm seismic as part of its work programme since it already has 3D seismic over the licence area. This seismic was acquired and processed under the terms of Europa's carried work programme with Kosmos.

Other companies to be awarded licensing options in the Porcupine basin under Phase 1 include ENI (partnered with BP), ExxonMobil, Statoil, Nexen, Scotia and Woodside. During the licensing round a total of 43 applications were received from 17 companies, making it the best ever conducted in Ireland. In the directors' view this provides a strong endorsement of Europa's long held belief in the technical and commercial potential of Ireland's Atlantic basins. It is also notable that a number of successful bidders in the round, specifically ExxonMobil, BP, Statoil and Nexen, are companies operating on the other side of the Atlantic in offshore Newfoundland where in 2015 C$1.9 billion was committed for exploration programmes in the Flemish Pass basin. Statoil has pioneered the pre-rift play in the Flemish Pass Basin and its 2013 Bay du Nord oil discovery was the largest discovery in the world that year.

Phase 2 awards will be made in May 2016. Europa has made several applications which will be considered in this phase. A licence map showing the Phase 1 awards can be found on the Department of Communications, Energy and Natural Resources ("DCENR") website:
http://www.dcenr.gov.ie/natural-resources/SiteCollectionDocuments/Oil-and-Gas-Exploration-and-Production/Concession_Map_A3_Feb2016_LR.pdf

UK

NE Lincolnshire – PEDL180 33.3% (Wressle Discovery)

Europa has a 33.3% interest in the PEDL180 licence which covers an area of 100km^2 of the East Midlands Petroleum Province and holds the Wressle oil and gas discovery. Wressle was drilled in 2014 and was production tested in 2015 during which an aggregate of 710 barrels of oil equivalent per day ("boepd") flowed from four tests in three conventional sandstone reservoirs.

Work is currently focussed on delivering production start-up from the Ashover Grit later in 2016. The target production rate on start-up is 500 bopd. The Ashover flowed 80 bopd and 47 thousand cubic feet of gas ("mcfd") on production test last year, however, the flow was inhibited by formation damage, also known as "skin". Skin is common in Carboniferous reservoirs in the East Midlands petroleum province and can be overcome by various well intervention methodologies. For example, on production start-up in 1986, the Europa operated Crosby Warren field, which is located 5km from Wressle, encountered problems with skin flowing at 60 bopd. After stimulation it flowed at 500 bopd and continues to produce almost 30 years later at 30 bopd. The Ashover Grit at Wressle is at a similar stratigraphic level to the producing sand at Crosby Warren and the oil properties are identical. Europa, along with its partners, is therefore confident that, with appropriately designed and executed operations, Wressle has the potential to produce 500 bopd of which Europa's share would be 165 bopd.

The Ashover Grit was just one of the four discrete intervals discovered by the Wressle exploration well:

- the Ashover Grit – 80 bopd and 47 mcfd free flow;
- the Wingfield Flags – 182 bopd and 456 mcfd free flow ;
- Zone 3b of the Penistone Flags – 12 bopd and 1,700 mcfd free flow;
- Zone 3a of the Penistone Flags – 77 bopd, swabbed.

Europa has a 33.3% working interest in the block with its partners Egdon Resources (25%), Celtique Energie Petroleum Ltd (33.3%) and Union Jack Oil (8.3%). Egdon is the operator and is responsible for delivering the Field Development Plan, Planning Permission, Environment Agency permits and CPR.

PEDL180 holds several other prospects and targets on the Crosby Warren – Broughton – Wressle trend.

The Weald Basin – PEDL143 40% (Holmwood)

Holmwood is a conventional oil prospect with gross mean unrisked prospective resources of 5.6 mmbo in Portlandian and Corallian sandstones. The P90 – P10 range of resources is 1 to 11 mmbo which is the typical range for the Weald Basin based on the 14 oil and gas fields that have been found and produced to date. Almost 250 wells have been drilled in the Weald Basin of Hampshire, Kent, Surrey and Sussex resulting in the discovery of some 50 million barrels of oil of which 30 million barrels have been produced to date. Were drilling Holmwood to deliver reserves of 5.6 mmbo, it would be the fifth largest onshore UK oil field.

The Holmwood prospect was first identified by BP in 1988 and Europa intends to drill the well during the winter of 2016/17, subject to financing or an acceptable farm-out. This follows the granting of planning permission in 2015 for both the surface well location and underground well path for an exploration well located in Bury Hill Wood. The Company is working under the supervision of Surrey County Council to discharge various conditions associated with the planning permission. In tandem with this detailed well planning is also being undertaken.

Holmwood lies 12km to the west of the Horse Hill-1 exploration well in PEDL137 where UK Oil & Gas Investments PLC ('UKOG') has reported production at a combined average stable rate of over 1,688 bopd from Upper and Lower Kimmeridge Limestone reservoirs and Upper Portland sandstone reservoir during flow tests earlier this year. UKOG is also a partner in PEDL143 and will exchange technical insights as appropriate. The Holmwood exploration well will penetrate similar stratigraphy to Horse Hill and it is therefore possible that it may also encounter oil in Upper and Lower Kimmeridge Limestones in addition to Corallian and Portlandian sandstones (although resources at Holmwood have not been estimated in Jurassic limestones equivalent to the ones found to be producing in Horse Hill). Europa has a 40% interest and is operator of PEDL143. Management is seeking to farm-out an interest prior to drilling the Holmwood well and the exploration success at Horse Hill is assisting this process.

NE Lincolnshire – PEDL182 33.3% (Broughton)

Following a partial relinquishment under the terms of the licence in June 2015, PEDL182 covers an area of 19km^2. The Broughton prospect was previously drilled by BP and flowed oil. Broughton is located on structural trend with the producing Crosby Warren oil field and the Wressle prospect on PEDL180. The partnership is reprocessing the 2012 3D survey and will be remapping the Crosby Warren-Wressle trend. Interpretation of the 3D together with the results of the Wressle discovery may result in new drillable prospects being matured on this trend.

NE Lincolnshire – PEDL181 50%

PEDL181 is located in the Carboniferous petroleum play and covers an area of over 540km^2 in the Humber Basin. A conventional exploration well was drilled at the Kiln Lane prospect in February 2015 and reached a total depth of 2,291m in March 2015. Whilst Carboniferous sandstone reservoirs were penetrated in accordance with the pre-drill geological forecast these proved to be water wet. Europa is completing post-well analysis of the Kiln Lane-1 well, in particular the impact of the well result on the remaining prospectivity on the licence. The partnership will make a decision regarding its continued activity in the licence during the year.

Europa has a 50% interest in and is the operator of the PEDL181 licence, with Egdon Resources UK Limited and Celtique Energie Petroleum Ltd, each holding a 25% interest.

14th UK Landward Licensing Round

In December 2015, Europa was conditionally awarded three licences in the 14th round onshore UK. These comprise a gas appraisal project (Cloughton), an oil field rejuvenation project (Hardstoft), and a pure conventional exploration licence (Goole).

PEDL348 (Cloughton) 22.5%

The licence contains the Cloughton gas discovery made by Bow Valley who drilled an exploration well and tested gas to surface from Carboniferous sandstone reservoir in 1986. Europa’s interest is to investigate the potential to deliver commercial quantities of gas from the Cloughton appraisal prospect.

Europa has a 22.5% interest in PEDL348. Third Energy are the operator and their experience of operating exploration, production and infrastructure in the region will be invaluable.

PEDL299 (Hardstoft) 16.7%

PEDL299 holds the Hardstoft oil field which was discovered by the UK's first ever exploration well in 1919. Approximately 26,000 barrels of oil have been recovered from the field from Dinantian limestone. Europa believes there is potential to generate commercial oil production from the Dinantian limestone at Hardstoft by employing modern drilling and production techniques to rejuvenate the field. Upland Resources, one of Europa's partners in the licence, has published a CPR by Blackwatch which has identified gross 2C resources of 3.1 million barrels on the portion of the Hardstoft field in PEDL299 and gross best case unrisked prospective resources of 3.65 mmbo in the Hardstoft East prospect. http://uplandres.com/wp-content/uploads/2015/10/Upland-Resources-Final-Prospectus.pdf.

Europa will have a 16.7% interest in the conventional prospectivity of PEDL299, INEOS is the operator.

PEDL286 Goole 50%

PEDL286 contains three conventional leads and may represent an extension of the Crosby Warren – Broughton – Wressle oil trend. To the north, the licence immediately neighbours a strategic shale gas position built by Cuadrilla with Bowland-Hodder shale at reasonable depths on the SW margin of the Cleveland Basin.

Europa has a 50% interest and operatorship of this conventional exploration licence in the southern Cleveland Basin.

Southern North Sea – block 41/24 50%

The block lies immediately offshore Scarborough on the Yorkshire coast. The focus of exploration activity is to investigate the potential of Carboniferous and Zechstein prospectivity. Within block 41/24, the Carboniferous has largely been overlooked as a viable target to date but there are numerous hydrocarbon accumulations in the onshore extension of the Cleveland Basin and further south in the East Midlands. The licence shares technical and commercial synergies with PEDL348 which lay behind the strategic decision by the partners to apply for both licences.

Europa was conditionally awarded a 50% interest in a Promote Licence on block 41/24 in the Southern North Sea as part of the 28th Seaward Licensing Round alongside Arenite Petroleum Limited (50%), a private Scottish company. The partners are looking to jointly farm-out an interest in block 41/24 and this process is underway.

UK Onshore Production

West Firsby 100%; Crosby Warren 100%; Whisby W4 well 65%

The three UK fields, plus a small contribution from Wressle, produced an average of 124 boepd (H1 2015: 144 boepd) during the period under review. The fields are in long term decline and whilst all opportunities to reduce downtime and decrease costs are being taken, the best way to access more production is through the exploration drill bit. The Wressle discovery is expected to more than double Europa's production when it comes online later in 2016.

France – Béarn des Gaves 100% (Berenx)

Europa holds a 100% interest in the onshore Béarn des Gaves permit in the Aquitaine basin, the heartland of the French oil industry. The permit contains two prospects: Berenx Deep and Berenx Shallow. In 2013, the permit was renewed to 22 March 2017 with an expenditure commitment of approximately €2.5 million. A farm-out process to secure a partner with whom to advance the permit is ongoing.

France - Tarbes Val d'Adour 20%

Tarbes Val d'Adour Permit ('Tarbes') is also located in the Aquitaine basin onshore France close to the giant Lacq - Meillon gas fields.

In February 2015, Europa completed a farm-out of Tarbes with Vermilion REP SAS, a wholly owned subsidiary of Vermilion Energy Inc ('Vermilion') a Calgary, Alberta based international oil and gas producer. The farm-out is subject to the relevant approvals being granted by the French authorities including the transfer of equity and operatorship to Vermilion and also obtaining an extension for the permit. Both these processes are underway. An update to the market will be provided once the French authorities provide the relevant approvals.

Conclusion

The six months under review has seen Europa significantly expand its multistage portfolio of licences in offshore Ireland and onshore UK: the award of a new strategically important licensing option in Ireland, which increases Europa's estimate of gross mean unrisked prospective resources to approximately three billion barrels of oil equivalent; and the granting of three new licences onshore UK, all of which have significant development potential. As well as successfully expanding the Company's portfolio, progress continues to be made in advancing Europa's existing UK licences. The Wressle discovery, which has the potential to double the Company's existing production, remains on track to come online later in 2016. Meanwhile at Holmwood preparations for an exploration well are being advanced.

With further potential licence awards offshore Ireland, farm-outs ongoing for all three Irish licences, Holmwood, and the Bearn-des-Gaves permit, the next six months will see further active management of Europa's asset base. This is in line with the Company's strategy to monetise the underlying value we have identified across the portfolio, and in the process generate significant value for shareholders.

Hugh Mackay

CEO
6 April 2016

Licence Interests Table

Country	Area	Licence	Field/ Prospect	Operator	Equity	Status
UK	East Midlands	DL003	West Firsby	Europa	100%	Production
		DL001	Crosby Warren	Europa	100%	Production
		PL199/215	Whisby-4	BPEL	65%	Production
		PEDL180	Wressle	Egdon	33%	Development
		PEDL181		Europa	50%	Exploration
		PEDL182	Broughton	Egdon	33%	Exploration
		PEDL286	Goole	Europa	50%	Exploration
		PEDL299	Hardstoft	INEOS	16.7%	Exploration
		PEDL348	Cloughton	Third Energy	22.5%	Exploration
	Weald	PEDL143	Holmwood	Europa	40%	Exploration
	SNS	Block 41/24		Arenite	50%	Exploration
Ireland	Porcupine	FEL 2/13	Doyle A/B/C, Heaney	Europa	100%	Exploration
		FEL 3/13	Beckett, Wilde Shaw (lead)	Europa	100%	Exploration
		LO 16/2	PR1, PR2. PR3	Europa	100%	Exploration
France	Aquitaine	Béarn des Gaves	Berenx Deep	Europa	100%	Exploration/Appraisal
		Béarn des Gaves	Berenx Shallow	Europa	100%	Exploration/Appraisal
		Tarbes val d'Adour		Vermilion	20%	Exploration/Appraisal

Financials

Unaudited consolidated statement of comprehensive income

	6 months to 31 January 2016 £000	6 months to 31 January 2015 £000	Year to 31 July 2015 (audited) £000
Revenue	**624**	1,285	2,205
Other cost of sales	***(765)***	*(944)*	*(1,900)*
Exploration write-off	**-**	-	*(2,205)*
Impairment of producing fields	**-**	*(1,100)*	*(1,100)*
Total cost of sales	**(765)**	(2,044)	(5,205)
Gross loss	**(141)**	(759)	(3,000)
Administrative expenses	**(355)**	(612)	(977)
Finance income	**34**	62	55
Finance expense	**(115)**	(105)	(208)
Loss before taxation	**(577)**	(1,414)	(4,130)
Taxation credit	**209**	587	2,346
Total comprehensive loss for the period attributed to the equity holders of the parent	**(368)**	(827)	(1,784)
	Pence per share	Pence per share	Pence per share
Loss per share (LPS) attributable to the equity shareholders of the parent			
Basic and diluted LPS (note 4)	**(0.15)p**	(0.40)p	(0.86)p

Unaudited consolidated statement of financial position

	31 January 2016	31 January 2015	31 July 2015 (audited)
	£000	£000	£000
Assets			
Non-current assets			
Intangible assets	**5,125**	4,516	4,839
Property, plant and equipment	**1,463**	1,795	1,562
Deferred tax asset	**101**	475	-
Total non-current assets	**6,689**	6,786	6,401
Current assets			
Inventories	**15**	38	13
Trade and other receivables	**254**	684	374
Cash and cash equivalents	**1,758**	3,569	3,151
	2,027	4,291	3,538
Total assets	**8,716**	11,077	9,939
Liabilities			
Current liabilities			
Trade and other payables	**(200)**	(1,299)	(1,043)
Current tax liability	**(144)**	(220)	(141)
Derivative	**(29)**	(40)	(32)
Short-term borrowings	**(23)**	(23)	(23)
Total current liabilities	**(396)**	(1,582)	(1,239)
Non-current liabilities			
Long-term borrowings	**(129)**	(152)	(141)
Deferred tax liabilities	**-**	(2,259)	(109)
Long-term provisions	**(2,245)**	(2,054)	(2,143)
Total non-current liabilities	**(2,374)**	(4,465)	(2,393)
Total liabilities	**(2,770)**	(6,047)	(3,632)
Net assets	**5,946**	5,030	6,307
Capital and reserves attributable to equity holders of the parent			
Share capital	**2,449**	2,049	2,449
Share premium	**15,901**	14,080	15,901
Merger reserve	**2,868**	2,868	2,868
Retained deficit	**(15,272)**	(13,967)	(14,911)
Total equity	**5,946**	5,030	6,307

Unaudited consolidated statement of changes in equity

	Share capital £000	Share premium £000	Merger reserve £000	Retained deficit £000	Total equity £000
Unaudited					
Balance at 1 August 2014	**2,049**	**14,080**	**2,868**	**(13,154)**	**5,843**
Total comprehensive loss for the period	-	-	-	(827)	(827)
Share based payments	-	-	-	14	14
Balance at 31 January 2015	**2,049**	**14,080**	**2,868**	**(13,967)**	**5,030**
Audited					
Balance at 1 August 2014	**2,049**	**14,080**	**2,868**	**(13,154)**	**5,843**
Issue of share capital net of issue costs (note 3)	400	1,821	-	-	2,221
Loss for the year attributable to the equity shareholders of the parent	-	-	-	(1,784)	(1,784)
Share based payments	-	-	-	27	27
Balance at 31 July 2015	**2,449**	**15,901**	**2,868**	**(14,911)**	**6,307**
Unaudited					
Balance at 1 August 2015	**2,449**	**15,901**	**2,868**	**(14,911)**	**6,307**
Total comprehensive loss for the period	-	-	-	(368)	(368)
Share based payments	-	-	-	7	7
Balance at 31 January 2016	**2,449**	**15,901**	**2,868**	**(15,272)**	**5,946**

Unaudited consolidated statement of cash flows

	6 months to 31 January 2016	6 months to 31 January 2015	Year to 31 July 2015 (audited)
	£000	£000	£000
Cash flows from operating activities			
Loss after taxation	**(368)**	(827)	(1,784)
Adjustments for:			
Share based payments	**7**	14	27
Depreciation	**99**	156	386
Exploration write-off	**-**	-	2,205
Impairment of property, plant & equipment	**-**	1,100	1,100
Disposal of fixed asset	**-**	-	2
Finance income	**(34)**	(62)	(55)
Finance expense	**115**	105	208
Taxation credit	**(209)**	(587)	(2,346)
Decrease /(increase) in trade and other receivables	**120**	(46)	79
(Increase) / decrease in inventories	**(2)**	(6)	19
(Decrease)/increase in trade and other payables	**(209)**	360	(102)
Net cash (used in)/ from operating activities	**(481)**	207	(261)
Cash flows used in investing activities			
Purchase of property, plant & equipment	**-**	(1)	(4)
Purchase of intangibles	**(915)**	(1,184)	(3,394)
Expenditure on well decommissioning	**-**	-	(4)
Interest received	**3**	5	7
Net cash used in investing activities	**(912)**	(1,180)	(3,395)
Cash flows from financing activities			
Proceeds from issue of share capital (net of issue costs)	**-**	-	2,221
Increase in payables related to share capital issue costs	**-**	-	71
Repayment of borrowings	**(12)**	(11)	(22)
Finance costs	**(10)**	(18)	(18)
Net cash (used in)/ from financing activities	**(22)**	(29)	2,252
Net decrease in cash and cash equivalents	**(1,415)**	(1,002)	(1,404)
Exchange gain on cash and cash equivalents	**22**	70	54
Cash and cash equivalents at beginning of period	**3,151**	4,501	4,501
Cash and cash equivalents at end of period	**1,758**	3,569	3,151

Notes to the consolidated interim statement

1 Nature of operations and general information

Europa Oil & Gas (Holdings) plc ("Europa Oil & Gas") and subsidiaries' ("the Group") principal activities consist of investment in oil and gas exploration, development and production.

Europa Oil & Gas is the Group's ultimate parent Company. It is incorporated and domiciled in England and Wales. The address of Europa Oil & Gas's registered office head office is 6 Porter Street, London W1U 6DD. Europa Oil & Gas's shares are listed on the London Stock Exchange AIM market.

The Group's consolidated interim financial information is presented in Pounds Sterling (£), which is also the functional currency of the parent Company.

The consolidated interim financial information has been approved for issue by the Board of Directors on 6 April 2016.

The consolidated interim financial information for the period 1 August 2015 to 31 January 2016 is unaudited. In the opinion of the Directors the condensed interim financial information for the period presents fairly the financial position, and results from operations and cash flows for the period in conformity with the generally accepted accounting principles consistently applied. The condensed interim financial information incorporates unaudited comparative figures for the interim period 1 August 2014 to 31 January 2015 and the audited financial year to 31 July 2015.

The financial information contained in this interim report does not constitute statutory accounts as defined by section 435 of the Companies Act 2006. The report should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 July 2015.

The comparatives for the full year ended 31 July 2015 are not the Company's full statutory accounts for that year. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified and did not contain a statement under section 498 (2) – (3) of the Companies Act 2006.

Given the cash inflow from the Group's producing assets, and the expectation of cash-flow from development assets, the Directors have concluded, at the time of approving the financial statements, that there is a reasonable expectation, based on the Group's cash flow forecasts, that the Group can continue in operational existence for the foreseeable future, which is deemed to be at least 12 months from the date of signing these financial statements.

Accordingly they continue to adopt the going concern basis in preparing the financial statements.

2 Summary of significant accounting policies

The condensed interim financial information has been prepared using policies based on International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU. The condensed interim financial information has been prepared using the accounting policies which will be applied in the Group's statutory financial information for the year ended 31 July 2016.

This results in the adoption of various standards and interpretations, none of which have had a material impact on the interim report or are expected to have a material impact on the financial statements for the full year.

3 Share capital

The table below shows all shares issued since 31 July 2014.

	6 months to 31 January 2016	6 months to 31 January 2015	Year to 31 July 2015 (audited)
Allotted, called up and fully paid ordinary shares of 1p	**Shares**	**Shares**	Shares
Start of period	**244,888,011**	204,883,024	204,883,024
Issued in the period	**-**	**-**	40,004,987
End of the period	**244,888,011**	204,883,024	244,888,011
	£000	**£000**	£000
Start of period	**2,449**	**2,049**	2,049
Issued in the period	**-**	**-**	400
End of the period	**2,449**	**2,049**	2,449

Ordinary shares issued 2015

Date	**Type of issue**	**Number of shares**	**Issue price**	**Raised net of costs £000**	**Nominal value £000**
10 July 2015	Placing	20,000,000	6p	1,059	200
24 July 2015	Placing	2,630,000	6p	150	26
24 July 2015	Open offer	17,374,987	6p	1,012	174
		40,004,987		2,221	400

All the authorised and allotted shares are of the same class and rank pari passu.

4 Loss per share (LPS)

Basic LPS has been calculated on the loss after taxation divided by the weighted average number of shares in issue during the period. Diluted LPS uses an average number of shares adjusted to allow for the issue of shares, on the assumed conversion of all in-the-money options.

The Company's average share price for the period was 3.69p which was below the exercise price of all 11,965,000 outstanding share options (H1 2015: 7.35p which was above the exercise price of 1,391,626 of the 14,016,626 outstanding share options).

The calculation of the basic and diluted loss per share is based on the following:

	6 months to 31 January 2016	6 months to 31 January 2015	Year to 31 July 2015 (audited)
	£000	£000	£000
Losses			
Loss for the period attributable to the equity shareholders of the parent	**(368)**	(827)	(1,784)
Number of shares			
Weighted average number of ordinary shares for the purposes of basic LPS	**244,888,011**	204,883,024	206,526,969
Weighted average number of ordinary shares for the purposes of diluted LPS	**244,888,011**	205,196,140	206,526,969

5 Taxation

Consistent with the year-end treatment, current and deferred tax assets and liabilities have been calculated at tax rates which were expected to apply to their respective period of realisation at the period end.

6 Post reporting date

Effective 1 March 2016, Europa was awarded Licensing Option 16/2 offshore Ireland.