

Europa Oil & Gas (Holdings) plc / Index: AIM / Epic: EOG / Sector: Oil & Gas
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Europa Oil & Gas (Holdings) plc ('Europa' or 'the Company')
Technical Update on LO16/20 Offshore Ireland

Europa Oil & Gas (Holdings) plc, the UK and Ireland focussed exploration, development and production company, is pleased to announce an update on its 100% owned Licensing Option ('LO') 16/20 in the Slyne basin, offshore Ireland which lies adjacent to the producing Corrib gas field ('Corrib'). The Company has mapped a number of significant structures at LO 16/20 which are potentially gas bearing and the Board believes that these could contain in excess of 2.5 trillion cubic feet (tcf) of gas in place combined. Work is in progress to estimate the prospective resources arising from this gas in place and these are anticipated to be significantly more than the 1 tcf prospective resources (1.4 tcf gas in place) previously mapped on the licence.

This update follows technical work carried out by Europa on legacy 3D seismic and on data recently released from the 18/20-7 exploration well drilled by Royal Dutch Shell in 2010 ('the Well') into Corrib North, a Triassic sandstone reservoir prospect located on LO 16/20. Log data from the Well suggests the presence of gas at Corrib North which is a separate anticline some 7km north of the Corrib gas field.

- The Well penetrated a 70m gas column in the same Triassic sandstone reservoir as the Corrib field, but as it was terminated in the reservoir, the gas column is a "gas down to"
- Based on mapping, Europa believes the full gas column at Corrib North has the potential to be 170m thick and the surface area of the structure to be 5.75km²
- The presence of a gas reservoir substantially de-risks Corrib North and other significant undrilled prospective gas-bearing structures on the licence, including the Foyle, Foyle North and Foyle West prospects ~16km north west of Corrib
- Europa believes in excess of 2 tcf of gas in place could be contained within the three Foyle prospects
 - Foyle's burial history suggests that reservoir porosities may be as good as if not better than the Corrib field
- A subsurface and production engineering consultancy has been commissioned to provide estimates for gas in place, prospective resources and possibly contingent resources for Corrib North in H1 2018
- The above technical work underpins the next steps on LO 16/20, which will be to conduct Pre Stack Depth Migration ('PSDM') reprocessing of the legacy 3D seismic data over the licence, mature prospects to drillable prospect status and farm-out

Europa's CEO, Hugh Mackay, said: "This work by Europa validates the early technical promise shown when we made our licence application. The Foyle prospects in particular have stood up to detailed scrutiny and mapping indicates a gas in place in excess of 2 tcf. In addition, we are pleased to identify proven gas in Corrib North, which not only significantly de-risks this structure, but also the Foyle prospects. We are working with a subsurface and production engineering consultancy and will update investors with estimates of prospective and possibly contingent resources during H1 2018. In addition, we are sufficiently encouraged to commit to conducting PSDM reprocessing of the legacy 3D seismic and mature the prospects to drillable prospect status.

"Whilst there is a popular conception that Atlantic Ireland is deep water, high risk frontier exploration this is not true of the Slyne Basin where the multiple prospects we have identified in LO 16/20 are mostly in relatively shallow water (400-600m) and represent lower risk exploration and appraisal close to the producing Corrib gas field. LO16/20, along with LO16/21 which is also located in the Slyne Basin, are a key component of our industry-leading licence position offshore Ireland. This includes seven licences that cover an area of 5,818 sq km, six play types, three basins and contain over 30 prospects and leads that potentially hold gross mean unrisksed prospective resources of 4.7 billion barrels of oil and 1.5 tcf of gas."

Further Information

In 2010 Shell drilled the 18/20-7 exploration well onto the Corrib North structure in what is now LO 16/20. Corrib North is a separate anticline some 7km north of the Corrib gas field. This Well was recently released into the public domain and, having studied the well data in detail, the Company believes the results are considerably better than the well status of P&A with gas shows might suggest.

The Well penetrated a 70m gas column in the same Triassic sandstone reservoir as the Corrib field, but with lower porosity. The Well was not production tested, however there is good evidence on log data to suggest the presence of gas. The Well was terminated in the reservoir, meaning the gas column is a "gas down to". Based on Europa's mapping the Company believes that the full gas column may be some 170m thick. The surface area of the structure is some 5.75km². The presence of gas reservoir substantially de-risks the Corrib North prospect and other prospects on the licence as a whole. These include the Foyle, Foyle North and Foyle West prospects some 16km north west of Corrib.

Table showing Europa current Best Technical Estimates of Gas in Place: various structures in LO 16/20.

	Best Technical Estimate Gas In Place (bscf)
Corrib North discovery	40
Foyle prospect	1,098
Foyle NW prospect	1,094
Foyle W prospect	212
Bofin lead	69
Corrib NW prospect	26
Total (bscf)	2,539

The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

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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 2017 Europa produced 113 boepd. Its highly prospective exploration projects include the Wressle development in the UK and seven licences offshore Ireland with the potential to host gross mean un-risked prospective and indicative resources of 4.7 billion barrels oil equivalent and 1.5 tcf gas across all seven licences.

Qualified Person Review

This release has been reviewed by Hugh Mackay, Chief Executive of Europa, who is a petroleum geologist with 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.