

Europa Oil & Gas (Holdings) plc / Index: AIM / Epic: EOG / Sector: Oil & Gas
13 May 2020

Europa Oil & Gas (Holdings) plc ('Europa' or 'the Company')
Wressle Development Update

Europa Oil & Gas (Holdings) plc, the UK, Ireland and Morocco focused oil and gas exploration, development and production company, notes today's update from Egdon Resources ('Egdon') regarding the Wressle Oil Field development ('Wressle' or the 'Project'). This includes the receipt of c. £403,000 from North Lincolnshire Council ('NLC') in settlement of gross costs incurred by the partners in relation to the appeal process. The Planning Inspector allowed Egdon's application for costs against NLC when planning consent for Wressle was granted on appeal on 17 January 2020. The gross sum will be divided between the partners in Wressle proportionate with their interests. As a result, Europa, which holds a 30% interest in Wressle, is due to receive £120,900.

As previously advised the Wressle development plan comprises the following key stages:

1. Discharging the planning conditions, finalising detailed designs, tendering and procurement of materials, equipment and services and finalising all HSE documentation and procedures
2. Installation of groundwater monitoring boreholes and establishing baseline groundwater quality through monitoring and analysis
3. Reconfiguration of the site
4. Installation and commissioning of surface facilities
5. Sub-surface operations
6. Commencement of production

Following NLC approval of the installation plan and discharge of the associated planning condition, the installation of four groundwater monitoring boreholes on the Wressle site has now been completed. These boreholes will be subject to monitoring and analysis throughout the life of the site, with an initial three months of sampling to determine baseline groundwater quality. On current plans first oil at Wressle is envisaged later in 2020.

Wressle was discovered by the Wressle-1 well in 2014. During testing, a total of 710 barrels of oil equivalent per day were recovered from three separate reservoirs, the Ashover Grit, the Wingfield Flags and the Penistone Flags. The economic model for Wressle was recently updated to reflect moves in the oil and gas markets. The results show the Project has an estimated break-even oil price of US\$17.62 per barrel, thereby confirming the development of Wressle is economically robust in the current environment. In September 2016, a Competent Person's Report provided independent estimates of reserves and contingent and prospective oil

and gas resources for the Wressle discovery of 2.15 million stock tank barrels classified as discovered (2P+2C).

Wressle lies on licences PEDL180 & 182 ('the Licences'). Europa holds a 30% working interest in the Licences alongside Egdon (operator, 30%), Union Jack Oil (27.5%), and Humber Oil & Gas Limited (12.5%).

Simon Oddie, Chairman of Europa, said: "We are encouraged by the progress being made at Wressle, particularly during this challenging period, and that the field remains on track to commence production in H2 2020. Under the development plan, Wressle is expected to come online at an initial gross rate of 500bopd, which would more than double Europa's existing UK onshore production to over 200bopd. Requiring a US\$17.62 oil price to break-even, these extra 150 bopd are profitable at today's oil prices and would therefore lead to a step change not just in Europa's UK onshore production but also in the Company's financial profile. With this in mind, I look forward to providing further updates on progress made."

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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 2019 Europa produced 91 boepd. Its highly prospective exploration projects include the Wressle development in the UK (targeting production start-up in 2020 at 500 bopd gross) and three licences offshore Ireland with the potential to host gross mean un-risked prospective resources of 3.9 billion barrels oil equivalent and 1.5 trillion cubic feet ('tcf') gas. The Company's flagship project offshore Ireland is the Inishkea prospect – a near field gas exploration project with 1.5 tcf gross mean un-risked prospective gas resources.