

Europa Oil & Gas (Holdings) plc ('Europa' or 'the Company')
Director Retirement and Corporate Update

Europa Oil & Gas (Holdings) plc, the UK, Ireland and Morocco focused oil and gas exploration, development and production company, announces that Finance Director Mr Phil Greenhalgh has informed the Board of his intention to retire. Phil, who has been Finance Director of Europa since January 2008, has agreed to remain on the Board until 14 October 2020 to ensure an orderly handover of his duties and to complete the Group Annual Report and Accounts for the year to 31 July 2020.

The Company does not intend to appoint a replacement Finance Director at the current time. Instead Phil's responsibilities will be divided and assigned to existing members of the team at Europa. In line with this, Ms Alison Fuller will become Financial Controller and Mr Murray Johnson will assume the position of Company Secretary.

In addition, the Board has asked Executive Chairman Mr Simon Oddie to continue as Interim CEO for at least a further six months.

Corporate Update

The Company is pleased to provide a corporate update in relation to activity across its portfolio of multistage licences onshore UK, offshore Ireland and offshore Morocco and its ongoing cost management programme as part of its response to COVID-19 and volatile oil and gas markets.

Onshore UK - Wressle Field Development Project ('Wressle')

The development of the Wressle field in North Lincolnshire, in which Europa holds a 30% working interest, continues according to plan with first oil on track to commence in H2 2020. Under the development plan, Wressle is expected to commence production at an initial gross rate of 500bopd, which would more than double Europa's existing UK onshore production to over 200bopd. With an estimated breakeven oil price of US\$17.6 per barrel, production at Wressle is expected to be very profitable at current oil prices of over US\$40 per barrel. Further updates on progress made towards bringing Wressle into production will be provided to the market as and when it is appropriate to do so.

Offshore Ireland – Inishkea and Edge prospects in Slyne Basin

Europa recently announced the conditional acquisition of a 100% interest in Frontier Exploration Licence ('FEL') 3/19, which holds the 1.2 tcf Edge prospect. FEL 3/19 lies close to Europa's 100%-owned FEL 4/19, which holds the 1.5 tcf Inishkea prospect, and the ~1tcf

producing Corrib gas field. Both licences therefore provide Europa with a key strategic position in the proven gas play of the Slyne basin.

The acquisition of FEL 3/19 is subject to regulatory sign-off and once this has been received the Company intends to undertake a comprehensive evaluation of the technical data covering the licence. Following this, the forward plan is to launch the farmout process for both licences in the Slyne Basin. Ahead of the formal launch of the farmout, the Company is in discussions with several interested parties.

The Company notes the cessation of gas production at the Kinsale Head gas fields in the Celtic Sea earlier this month. Following this, the Corrib gas field represents the only source of domestic gas production in Ireland. Subject to regulatory sign-off for the transfer of FEL 3/19, Europa will hold 100% interests in what are currently the only large scale, drill-ready prospects in a gas play that has been significantly de-risked by the producing Corrib field and importantly lie close to existing processing facilities. As a result, Europa classifies FELs 3/19 and 4/19 as lower risk “infrastructure-led” exploration.

Offshore Morocco – Inezgane permit

Being largely desktop based, technical work has been able to continue on the Inezgane permit despite COVID-19 and associated lockdowns. This work is focused on reprocessing and interpreting 3D seismic data to de-risk large prospects in the Lower Cretaceous play, a prolific producer in West Africa. The Inezgane licence area is 11,228 square kilometres, i.e. equivalent to about 50 UKCS North Sea blocks, or over half the size of Wales.

To date this work has resulted in the mapping of 14 prospects and 16 leads, which the Company estimates have the potential to hold in aggregate close to 10 billion barrels of unrisks oil resources. The identified prospects each have mean resources in excess of 150 mmboe which add up to total resources in excess of 5 billion barrels of oil equivalent. The prospects have stacked reservoir potential and include a wide range of structural styles including for example 4-way dip closure in the case of the 827 mmboe Falcon and 204 mmboe Turtle prospects. Europa has assigned a geological chance of success to these prospects of 20-35%.

Ongoing work is focused on further de-risking these prospects and leads while the forward plan is to build a robust prospect inventory and, subject to the results, secure partner(s) to drill wells. In tandem with this workstream, the Company has maintained dialogue with operators who have expressed an interest in Inezgane.

Cost Management Programme

As previously announced, in response to volatile oil markets and the impact of COVID-19 on the global economy, the Board, staff and consultants agreed to a reduction in remuneration and

fees (see announcement of 31 March 2020 for further details). This had been set at 20% however the Board has now elected to increase the reduction in their remuneration and fees to 50% from August 2020 until further notice. The Company is also considering an award of share options to directors and staff and a further announcement will be made.

Elsewhere, appropriate cost savings and adjustments are continuing to be made in the business whilst ensuring the integrity of the core strategy is maintained. Existing cash reserves are expected to be sufficient to finance current activity including the Wressle Field development. As mentioned earlier, once on stream, Wressle will transform Europa's production and in turn its revenue profile.

Simon Oddie, Interim CEO and Executive Chairman of Europa, said: "On behalf of the Board, I would like to take this opportunity to thank Phil for the considerable and invaluable contribution he has made to the Europa story over the last decade or so. We wish him all the best for the future. In Alison and Murray, we have two experienced employees who will be taking on Phil's finance and corporate responsibilities and as a result I am confident the handover process will prove to be seamless. We are confident that the next year promises to be a highly active period for Europa, with Wressle due to come on stream later this year, our unrivalled position in the Slyne Basin gas play set to be bolstered further once the transfer of FEL 3/19 is completed, and with the ongoing technical work offshore Morocco to date confirming Inezgane's exciting potential."

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Notes

Europa Oil & Gas (Holdings) plc has a diversified portfolio of multi-stage hydrocarbon assets which includes production, development and exploration interests, in countries that are politically stable, have transparent licensing processes, and offer attractive terms. In terms of production, in 2019 Europa produced 91 boepd. Production is set to increase to over 200 boepd

in H2 2020 once the Wressle field in the UK, which is currently under development, comes on stream at a gross rate of 500 bopd.

The Company holds four exploration licences offshore Ireland which have the potential to host gross mean un-risked prospective resources of 3.9 billion barrels oil equivalent and 2.7* trillion cubic feet ('tcf') gas (*subject to regulatory approval for the transfer of FEL 3/19). The Company's flagship projects offshore Ireland are Inishkea and Edge, two near field gas prospects in the Slyne Basin which the Company classifies as lower risk infrastructure-led exploration due to their close proximity to the producing Corrib gas field and associated gas processing infrastructure. In September 2019, Europa was awarded a 75% interest in the Inezgane permit offshore Morocco. Initial results of technical work have identified 30 prospects and leads that have the potential to hold close to 10 billion barrels of unrisked resources.