

Europa Oil & Gas (Holdings) plc ('Europa' or 'the Company')
Renewal of Béarn des Gaves Permit, Onshore France and
Technical Update Including Un-risked Indicative Resources for Berenx Shallow

Europa Oil & Gas (Holdings) plc, the AIM listed oil and gas exploration, development and production company focused on Europe, is pleased to announce the renewal of its 100% owned Béarn des Gaves permit ('Béarn des Gaves' or 'the Permit'), in the proven Aquitaine Basin, onshore France. The Permit includes Berenx Deep, the large gas appraisal prospect, and the recently identified Berenx Shallow prospect. The permit is located 20km to the southeast of the producing 9 trillion cubic feet ('tcf') Lacq gas field.

Highlights

- Béarn des Gaves permit successfully renewed for a period of five years until 23 March 2017 with farm-out process to recommence immediately
- Significant upgrade in gross mean un-risked resources for Berenx Shallow prospect to 416bcf following a detailed mapping exercise
- Permit located in a proven hydrocarbon region in onshore France:
 - adjacent to two giant producing gas fields, Lacq (9 tcf) and Meillon (2 tcf)
 - two wells previously drilled on the Permit at Berenx Deep which ERC Equipoise has assigned a gross mean contingent resource of 277bcf - both wells encountered strong gas shows and one flowed gas to surface
- Reservoir at Berenx Shallow is early Cretaceous and Late Jurassic limestones and dolomites characterised by dual matrix and fracture porosity
- Next steps are to confirm well location, commence well permitting process, commence drilling planning – objective to drill a well to test Berenx Shallow in 2014

Hugh Mackay, CEO of Europa, commented, "We are delighted with the renewal of Béarn des Gaves, particularly as over the last twelve months we have undertaken a thorough re-evaluation of the shallow structures, reservoir distribution and historic well results which has significantly increased our understanding of the prospectivity in the Permit. The resulting definition of gross mean un-risked resources of 416bcf for Berenx Shallow, and the already discovered Berenx Deep appraisal project with an estimated gross mean contingent resource of 277 bcf (ERC Equipoise CPR dated 31 May 2012) confirms the transformative potential of this 100% owned Permit. We look forward to recommencing the farmout process immediately with a view to drilling in 2014."

"Alongside Berenx we have a 15% interest in two high impact frontier licences in the Irish Atlantic Margin. Kosmos Energy, the operator, is currently acquiring 3D seismic over the licence area as it looks to pursue in the South Porcupine basin similar Cretaceous plays to those that it successfully pioneered in the Atlantic Margin basins offshore West Africa.

Meanwhile our UK onshore fields continue to produce oil in line with our expectations, and in addition our exploration licences contain several leads and prospects, including Wressle, where we are due to drill a well towards the end of 2013. With much activity expected across our licences, I look forward to providing updates on our progress as we continue to steadily de-risk and deliver the value in our assets.”

Béarn des Gaves:

Europa holds a 100% interest in the Béarn des Gaves permit with both appraisal and exploration potential in the Aquitaine basin, the heartland of the French oil industry. The Berenx Deep appraisal project has previously been explored and drilled by EssoRep with two wells drilled, Berenx-1 (1969) and Berenx-2 (1972), both encountering strong gas shows over a 500m thick gas bearing zone. In 1975 Berenx-2 was re-entered, drill stem tested and flowed gas to surface from the same carbonate reservoir that delivered 9 tcf and 2 tcf from nearby fields at Lacq and Meillon.

Europa possesses all data connected to both wells. Good quality 2-D seismic data exists for the licence as well as a reprocessed 3-D seismic dataset covering the area between Berenx and Lacq. Europa’s in-house technical work indicates that the Berenx deep appraisal prospect could hold in excess of 500 bcf of recoverable gas resources. In a CPR dated 31 May 2012, ERC Equipoise estimated gross mean un-risked resources of 277 bcf for the deep Berenx gas play. The difference between Europa’s and ERC's assessment of resources reflects the confidence of each party in mapping in a geologically complex terrain. Europa was able to map a larger area of closure and as a consequence larger resources.

On-going re-evaluation and interpretation of existing seismic and well data on the Permit has resulted in the better definition of a shallow gas prospect, Berenx Shallow. Previous exploration on the concession had focused only on the deep lying gas prospectivity. A thorough review of historic well results, re-interpretation of structure and proven hydrocarbon bearing reservoir distribution in the shallow (less than 4000m) Cretaceous and Late Jurassic carbonate sediments by Europa has upgraded the Berenx Shallow gas prospectivity and suggests potential gross mean un-risked resources of 416 bcf.

	Gross un-risked resources bcf			
Reservoir	P90	P50	P10	mean
Neocomian	126	240	402	254
Kimmeridgian	66	156	261	162
			total	416

The Company’s strategy for Béarn des Gaves is to first target the shallow gas play, drill a well to deliver a commercial flow rate and, on the back of success, to further appraise shallow prospectivity and undertake work to de-risk the Berenx Deep appraisal project.

Europa submitted its application for the renewal of Béarn des Gaves in November 2011 and the renewal process formally started on 22 March 2012. On 3 October 2013, the Company was informed by the French authorities that the Permit has been successfully renewed. This next phase covers a period of five years from 22 March 2012 and carries an expenditure commitment of approximately €2.5 million. The Directors intend to immediately commence a farm-out process for the Permit in tandem with well permitting and drilling planning to confirm a well location on Berenx Shallow ahead of drilling in 2014.

The Permit benefits from being located only 20 km from the Lacq Field, which potentially provides a straightforward export route, allowing gas to be processed in an existing facility with spare capacity.

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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. The Company currently produces approximately 180 boepd in the UK, generating sufficient revenues to cover corporate overheads. Its highly prospective exploration projects include the Wressle prospect in the UK where a well is due to be drilled towards the end of 2013; and a joint venture with leading independent Kosmos Energy to explore two licences in offshore Ireland in which Europa has identified two prospects with estimated gross mean un-risked indicative resources of 482 million barrels oil and 1.6 billion barrels oil respectively.

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.

