

21 October 2021

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

Final Results for the year to 31 July 2021

Europa Oil & Gas (Holdings) plc, the AIM traded Ireland, Morocco and UK focused oil and gas exploration, development and production company, announces its final results for the 12 month period ended 31 July 2021.

The full Annual Report and Accounts will be available shortly on the Company's website at www.europaoil.com and will be mailed in November 2021 to those shareholders who have requested a paper copy.

Operational highlights - Building a balanced portfolio of exploration and production assets

Onshore UK – Wressle more than doubles net production to over 200bopd

- First oil at Wressle achieved
 - Production established in excess of target gross rate of 500bopd post period end
 - Europa's net share of Wressle production equates to over 150bopd
 - With an estimated break-even oil price (excluding Europa's corporate overheads) of US\$17.6 per barrel, Wressle production is highly profitable at current oil prices
 - Well flow is continuing to clean-up and has not yet reached its full potential
- 93boepd was produced from Europa's UK onshore fields during the year with early Wressle test production covering the decline of three older fields and comparing favourably to 92boepd FY20
- Geothermal energy
 - MOU signed with Causeway Geothermal (NI) Ltd to carry out studies to assess the potential of Europa's West Firsby field as a test site for sustainable, clean geothermal energy systems
 - West Firsby regarded as an ideal geothermal energy test site due to comprehensive dataset, existing well bores and geothermal gradient
 - Potential to convert onshore legacy oilfields into sources of clean and reliable energy forms part of Europa's ESG strategy

Offshore Morocco - Farmout Launch of Inezgane Licence in the Agadir Basin, Morocco

- Follows completion of technical work which identified a significant volume of unrisks resource - in excess of 2 billion barrels (oil equivalent) in the top five ranked prospects alone
- Inezgane lies on the same geological trend which has led to major oil and gas discoveries along the west coast of Africa with reservoirs and source rocks in common with the prolific West African play
- Ongoing discussions with a number of potential co-venturers looking to farm-in
- One year extension to initial phase of the licence to November 2022 granted to allow for time lost as a result of COVID-19

Offshore Ireland - Lower risk / very high reward infrastructure-led exploration in proven gas play in the Slyne Basin

- Awaiting regulatory approval of acquisition of 100% interest in Frontier Exploration Licence ('FEL') 3/19, which includes the 1.2 tcf Edge prospect and lies close to the ~1tcf producing Corrib gas field
- FEL 3/19 lies close to Europa's FEL 4/19 which holds the 1.5 tcf Inishkea prospect
- Farmout of FELs 3/19 and 4/19 commenced conditional on regulatory approval of the acquisition of FEL 3/19

COVID-19

- Operational activity has continued at the four production sites
- London office has been exited generating cost saving
- All salaries and fees have been re-instated to levels pre Covid-19
- The Group has not taken any further Covid-19 government assistance since the £50k Bounce back loan in the prior year.

Financial performance

- Revenue £1.4 million (2020: £1.2 million)

- Pre-tax loss of £0.85 million (2020: pre-tax loss £5.4 million including write-offs taken following relinquishment of Irish licences)
- Net cash used in operating activities £0.5 million (2020: £0.8 million)
- Cash balance: at year end £0.6 million (31 July 2020: £0.8 million)

Board

- Appointment of Simon Oddie as CEO on a permanent basis in August 2020
- Appointment of Senior Independent non-executive Director Mr Brian O’Cathain as non-executive Chairman

Post reporting period events

- Inezgane licence farmout officially announced on 3rd August 2021
- Wressle achieved over 500 bopd after successful proppant squeeze operations in late August 2021 and this increased to 950 boepd in September which was over previous expectations
- Following the achievement of 500bopd oil flow rate as announced in August 2021, the Directors consider that Wressle has met the requirements under IFRS6 for transfer to producing assets as of that date

Simon Oddie, CEO of Europa, said:

“The milestones we achieved across our multistage portfolio of licences during the year under review have laid the foundations for an exciting new phase in our growth trajectory. Notably, with the Wressle Oil Field in North Lincolnshire delivering first oil and achieving its target of 500 barrels per day, Europa’s UK onshore net production has doubled to over 200 bopd post period end. Wressle is showing capacity to produce at significantly higher rates than the previous target and further major development potential exists in other reservoirs. With oil prices above US\$80/barrel, this achievement provides a massive boost to the Company’s financial profile and in turn will give us a platform with which to pursue our strategy of developing significant value accretive opportunities while minimising risk.

“Elsewhere, we are also pleased with the response to the farmout launch for our highly prospective Inezgane Licence in Agadir Basin, Morocco and the strong interest, to date, from potential operators. I am excited about the future possibilities at Inezgane, which has the potential to hold over two billion barrels of unrisks prospective resources and complements the Company’s goal to have a balanced portfolio of energy assets. The technical work completed in the last 12 months has focused on the top five ranked prospects - each of which have mean resources in excess of 200 mmmboe at the Albian level.

“In Ireland, we are still awaiting regulatory approval for our acquisition of a 100% interest in Frontier Exploration Licence (‘FEL’) 3/19 located close to Corrib - Ireland’s biggest producing gas field. Subject to approvals, we will be progressing the farmout of both the newly acquired FEL 3/9 and our existing 100%-owned FEL 4/19 – our two strategic offshore gas assets in the Slyne Basin.

“Europa is also advancing its ESG ambitions during the past year signing a MOU with Causeway Geothermal (NI) Ltd.in late June to investigate the potential of our mature oilfield at West Firsby in the East Midlands, as a test site for the production of geothermal energy. This firmly aligns with our stated objective of playing a key role in the UK’s transition to green energy. With much activity expected across our existing portfolio as well as our continued evaluation of a number of potential late-stage appraisal/development ventures, I look forward to updating the market on developments in the months ahead.”

Chairman's Statement

Despite the ongoing Covid-19 situation and economic volatility, the financial year 2020/21 marked a transformational period in Europa’s history. Oil prices have rebounded and major milestones achieved in the year to 31 July 2021 include the Wressle Oil Field coming into production in early 2021, which has more than doubled the Company’s net production to over 200bopd, and positive results from our technical work programme on the Inezgane Licence in offshore Morocco - identifying a significant volume of potential resource - in excess of 2 billion barrels.

In the period ahead, we look forward to well flow at Wressle achieving its full potential once the clean-up process has been completed, at which point attention can be turned towards the additional development opportunities on the licence. In the meantime, Wressle continues to produce at above 500bopd (over 150bopd net to the company), generating significant cash flow for the Company. In Morocco, we continue to showcase the excellent results of our technical work programme to prospective partners and we look forward to updating the market on developments of the farm out of Inezgane. We continue to evaluate potential additional assets to improve the balance of our portfolio.

Elsewhere, the signing of an agreement with Causeway Geothermal (NI) Ltd in June to investigate West Firsby's potential as a geothermal production site in the UK was also another major milestone for the Company as it looks to play a role in a clean energy future. Geothermal energy may provide a future role for our mature oilfields. The news of the agreement with Causeway Geothermal inspired excitement among shareholders and the wider investment community and we look forward to updating the market as work progresses.

Onshore UK

The headline story of the past 12 months across Europa's portfolio has undoubtedly been the successful commencement of test production at Wressle in early 2021 – which as a result has become the Company's fourth producing onshore oil field in the West Midlands. By adding 150bopd in late August 2021 Wressle had more than doubled the Company's net oil production to over 200 bopd from 92bopd in 19/20 financial year. This excellent outcome followed the successful execution of the field development plan which included the successful and safe completion of operations to recomplete the Wressle-1 well, followed by the reperforation of the Ashover Grit reservoir interval and the proppant squeeze, which saw Wressle hit an initial gross production rate of over 500bopd exceeding the pre-operations target.

Bringing Wressle-1 on stream is only just the beginning of the growth story at Wressle, with considerable upside existing across other formations that were encountered by Wressle-1, such as the Penistone Flags, all of which represent low cost/low risk follow-up opportunities. Wressle therefore provides a strong platform for future growth. For now, with a break-even oil price of just US\$17.6, and with oil prices currently above US\$80/ barrel, Wressle is set to be a huge driver of profitability and cash flow for the Company. This is in line with our corporate goal of building a cash generative oil and gas company, one which provides shareholders with exposure to multiple value creating opportunities, while minimising capital risk.

Other onshore UK opportunities are in line with our shift to contributing to the clean energy transition with the signing of an MOU with Causeway Geothermal to investigate the potential of our West Firsby field as a geothermal production site in the UK. The asset is regarded as an ideal geothermal energy test site due to a comprehensive dataset, existing well bores and favourable geothermal gradient. The move highlights Europa's commitment to developing clean energy solutions and meeting our previously outlined ESG ambitions.

Offshore Morocco

In Morocco, we have made huge strides at our Inezgane licence in the Agadir Basin, which we acquired in 2019. During the period under review, the Company completed technical work at the licence, which generated an unrisks resource volume in excess of 2 billion barrels (oil equivalent) in the top five ranked prospects alone: Alpha, Charlie, Falcon, Turtle and Sandpiper. This excellent result allowed the Company to launch its farm out of this high-impact exploration opportunity in August 2021. Interest received to date from potential partners has been very encouraging. Located on the same geological trend as major oil and gas discoveries along the west coast of Africa, the farm out presents a substantial opportunity for potential partners and is in line with Europa's strategy of seeking to expose shareholders to impactful activity while minimising risk. Prominent energy players already operating in the area include ENI and Hunt.

Offshore Ireland

Offshore Ireland, the Company's focus remains on its gas interests in the Irish Sea located in close proximity to the already producing Corrib gas field.

We are still awaiting approval from the Irish regulators for our acquisition of a 100% interest in Frontier Exploration Licence ('FEL') 3/19 – building on our existing flagship project 1.5 tcf Inishkea gas prospect - Frontier Exploration Licence ('FEL') 4/19 – located in the Slyne Basin.

Subject to regulatory sign-off, we plan to farm out our newly enlarged strategic position in the Slyne Basin, which as per our Moroccan strategy, represents a massive opportunity for the Company, given the licences' strategic location

beside the Corrib gas field, which although Ireland's largest producing gas field, is in decline. Given the proximity to existing infrastructure and location in a proven play, we regard our exploration licences in the Slyne Basin as low development cost, low risk and, with 2.7tcf of potential gas resources in play, high reward. As 100% owners of the two largest prospects located close to the producing Corrib gas field and existing processing facilities, Europa's strategic position in what is a key transition fuel is unparalleled in the Irish market.

Domestic gas plays a crucial role in Ireland's overall energy mix. With no new domestic sources of supply on the horizon, a pinch point is fast approaching - the energy regulator, the Commission for Regulation of Utilities and grid operator EirGrid, has warned there is a real danger of electricity blackouts in the future. Together with the forthcoming closure of power stations in Ireland and growing demand for energy from an increasing number of power-hungry data centres, domestic gas production can offer a solution to Ireland's energy needs during the energy transition. With gas playing a vital role in the country's future energy mix following the government's decision to phase out oil exploration in 2019, Europa's assets have the potential therefore to play a vital part in supplying Ireland's future energy needs.

Board Changes

This past year has also seen major changes at senior management and board level with the appointment of interim CEO and non-executive Chairman Simon Oddie as our permanent chief executive in August. In turn, I took on Simon's previous role as non-executive Chairman having formerly held the role of senior non-executive director. Simon was appointed interim CEO and non-executive Chairman in November 2019 following the departure of Hugh Mackay. In October, the Company's long-serving Finance Director, Mr Phil Greenhalgh, retired after over twelve years of service to the Company as Finance Director and Company Secretary. I would like to thank Phil for his years of excellent service, and his contribution to the success of the Company, on behalf of the board of directors and the shareholders.

Conclusion and Outlook

The Company is firmly on its way to achieving its previously stated goal of generating material production-based revenues and also creating significant value-creating opportunities. Thanks to resilient oil prices over the past year, which are currently above US\$80/barrel, our investment in Wressle has paid off as a fully operational and cash generative asset which has served to more than double Europa's oil production and provide a major boost to the Company's profitability. This in turn will allow us to explore new opportunities both in the oil and gas space but also across the wider energy sphere. Our aim remains to engage in potentially high reward activity without putting the Company's balance sheet at risk

Looking ahead after a transformational 12 months, our focus is now on advancing our strategy of growing our existing portfolio both organically and via acquisitions which may add to our existing assets to create a balanced portfolio.

As previously stated, we are looking to add a third leg to the business which may include late stage appraisal and development ventures. To this end, we are currently evaluating a number of potential opportunities and I look forward to updating the market on developments.

Finally, on behalf of the board, I would like to thank the management, employees and consultants for their hard work on behalf of our shareholders and stakeholders during the past year who worked tirelessly despite the ongoing COVID-19 restrictions. The fact that the Company achieved so much in the past year despite the pandemic is a testament to the team's dedication and focus.

Mr Brian O'Cathain (non-executive chairman)

Operational Review

UK Production - East Midlands

Europa produces oil from four UK oilfields Wressle, West Firsby, Crosby Warren; and Whisby-4. Commencement of oil flow at Wressle was achieved in Q1 2021. In line with the field development plan, the field achieved the pre-operations gross production target of 500bopd post period end in August 2021. Europa holds a 30% working interest in licences PEDL180 and 182 which hold Wressle and Broughton, alongside Egdon Resources (operator, 30%), and Union Jack Oil (40%) and as a result, Europa's net production currently stands at over 200bopd – which marks a doubling of output versus a year ago. As Wressle achieved targeted gross production of 500bopd post

period end, during the financial year to 31 July 2021, an average of 93 boepd net to Europa was recovered from its oil fields.

Wressle is now the Company's single biggest producing oil field. Our other three fields are in decline, however, investigations into ways to improve recovery rates at a number of wells on the fields are underway – including potential workovers at the West Firsby field.

UK Development – Wressle Oil Field

We have continued to actively progress our efforts at our UK onshore acreage with the focus on establishing the free flow of oil at Wressle on our PEDL 180 and 182 licences in North Lincolnshire. We hold a 30% working interest in the licences, alongside Egdon Resources UK Limited (30% and the operator) and Union Jack Oil (40%). Wressle was discovered in 2014 by the Wressle-1 conventional exploration well which intersected three productive reservoir horizons.

Earlier this year, we were advised by the operator that the proppant squeeze operation on the Ashover Grit reservoir interval in the Wressle-1 well had been completed safely and successfully. This involved the injection of a total of 146 cubic metres of gelled fluid and 17.3 tonnes of ceramic proppant into the Ashover Grit formation in line with the authorised programme.

Following the proppant squeeze, we announced that Wressle - 1 was producing at above the targeted initial gross rate of 500bopd. At this rate, Europa's 30% interest in the field translates into 150bopd net to the Company, which, when combined with the 80 bopd produced by our three existing fields in the East Midlands, increases overall production to over 200 bopd. This together with oil prices trading at over US\$80 per barrel, means that Wressle has resulted in a sustainable step-up in the Company's net production and revenues.

The commencement of oil flow at Wressle does not represent the sum of development ambitions for our existing onshore UK portfolio. Scope remains to increase production across our fields, specifically by improving recovery rates and targeting proven intervals. We intend to further evaluate the potential to undertake workovers on wells at the West Firsby field. Any development activity undertaken is likely to be relatively low cost and low risk.

The same can be said for future development work at Wressle where a number of follow-up opportunities have already been identified on PEDLs 180 and 182. In September 2016, a Competent Person's Report ('CPR') provided independent estimates of reserves and contingent and prospective oil and gas resources for Wressle of 2.15 million stock tank barrels classified as discovered (2P+2C). Further development of Wressle including producing additional reserves existing in the Penistone Flags formation is expected in the future. Our existing onshore UK assets therefore offer considerable run room to build on our success at Wressle and grow production and revenues further.

Exploration: Offshore Morocco

The Inezgane licence in Morocco remains a hugely valuable asset for the Company and we were delighted to have recently launched the official farmout of this licence – a move which we believe will be a significant event for our shareholders. We were awarded a 75% interest in the licence in September 2019 and since then have undertaken a great deal of technical work which has involved the reprocessing and interpreting of historic 3D seismic data. Using state of the art processes it has helped to focus our efforts on identifying the sizeable prospects in the Lower Cretaceous play, a prolific producer in West Africa.

We are now seeking a partner to work with us to take the licence forward to maximise its potential. With this in mind, we have been encouraged by the interest generated by the launch of the farmout among major players.

There have been a number of discoveries over recent years on the same trend line (and with similar geological horizons) both in oil and in gas. Morocco is an excellent place to do business and the country is certainly at the forefront of taking its ESG responsibilities very seriously. It is a country that generates a great deal of power from

hydroelectric, wind and solar, however oil and gas still have a significant part to play as Morocco transitions towards a sustainable energy future.

Exploration: Offshore Ireland

As has been previously outlined, Europa's offshore Ireland portfolio has undergone a shift from early stage oil exploration in unproven basins to infrastructure-led gas exploration in the proven Slyne Basin. For what was a nominal sum, we acquired a 100% interest in FEL 3/19 which holds the 1.2 tcf Edge prospect and is located close to the producing Corrib gas field as well as our own 1.5 tcf Inishkea prospect on FEL 4/19.

We are awaiting regulatory sign-off and subject to receiving this, Europa will control a 100% interest in the only two known 1 tcf plus gas prospects that lie close to Corrib and its production and processing facilities.

The focus is to attract a potential partner for these assets which would help accelerate high impact development activity.

Financials

Revenue was £1,372,000 (2020: £1,244,000). The average oil price achieved was US\$56.6/bbl (2020: US\$48.0/bbl) and the average Sterling exchange rate was US\$1.37 (2020: US\$1.27). An average of 93 boepd (2020: 92 boepd) was recovered from our four UK onshore fields. Production (bopd) was 23 at West Firsby, 27 at Crosby Warren, and 33 net at Whisby and 10 net at Wressle.

Stringent cost controls continue to be implemented. Cost of sales was £1,249,000 (2020: £1,438,000).

Administrative expenses of £717,000 (2020: £823,000) included £171,000 on new licence evaluations (2020: £81,000).

Net cash spent on operating activities was £535,000 (2020: cash spent £884,000).

Purchase of intangible fixed assets of £985,000 (2020: £1,148,000) was spent advancing the portfolio.

The Group's cash balance at 31 July 2021 was £0.6 million (31 July 2020: £0.8 million).

Non-financial Key Performance Indicators ('KPIs')

There were no reportable accidents or incidents in the year (2020: zero).

Conclusion and Outlook

As a result of progress made, the Company is firmly on track to achieve its twin objectives of generating material production-based revenues and also creating significant value-creating opportunities. Thanks to resilient oil prices over the past year, which are currently above US\$80/barrel, our investment in Wressle has paid off as a fully operational and cash generative asset which at a stroke has more than doubled Europa's oil production and scaled up the Company's profitability. This in turn will allow us to explore new opportunities as we look to expose our shareholders to potentially high reward activity while preserving the integrity of the Company's balance sheet.

In the year ahead, shareholders can expect the management team to continue to advance our strategy of growing our existing portfolio both organically and via acquisition as we look to add a third leg to the business, specifically a late-stage appraisal and development venture. We will also continue to evaluate further opportunities in the renewable space in addition to geothermal energy, as we increase efforts to play a key role in the UK's transition to green energy.

Qualified Person Review

This release has been reviewed by Alastair Stuart, engineering advisor to Europa, who is a petroleum engineer with over 35 years' experience and a member of the Society of Petroleum Engineers and has consented to the inclusion of the technical information in this release in the form and context in which it appears.

Simon Oddie (CEO)

The financial information set out below does not constitute the company's statutory accounts for 2021 or 2020. The financial information has been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 on a basis that is consistent with the accounting policies applied by the group in its audited consolidated financial statements for the year ended 31 July 2021. Statutory accounts for the years ended 31 July 2020 and 31 July 2019 have been reported on by the Independent Auditors.

The Independent Auditors' Report on the Annual Report and Financial Statements for 2021 and 2020 were unqualified and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

Statutory accounts for the year ended 31 July 2020 have been filed with the Registrar of Companies. The statutory accounts for the year ended 31 July 2021 will be delivered to the Registrar in due course.

Consolidated statement of comprehensive income

For the year ended 31 July	2021 £000	2020 £000
Revenue	1,372	1,244
<i>Cost of sales</i>	<i>(1,249)</i>	<i>(1,438)</i>
<i>Impairment of producing fields</i>	<i>-</i>	<i>(160)</i>
Total cost of sales	<u>(1,249)</u>	<u>(1,598)</u>
Gross profit/(loss)	123	(354)
Exploration write-off	(12)	(4,004)
Administrative expenses	(717)	(823)
Finance income	3	7
Finance expense	(242)	(266)
Loss before taxation	(845)	(5,440)
Taxation credit	127	-
Loss for the year	(718)	(5,440)
Other comprehensive income		
Items which will not be reclassified to profit/(loss)		
Loss on investment revaluation	(2)	(197)
Total other comprehensive loss	(2)	(197)
Total comprehensive loss for the year attributable to the equity shareholders of the parent	(720)	(5,637)
Earnings per share (EPS) attributable to the equity shareholders of the parent	Pence per share	Pence per share
Basic and diluted EPS	(0.15)p	(1.22)p

Consolidated statement of financial position

As at 31 July	2021 £000	2020 £000
Assets		
Non-current assets		
Intangible assets	6,438	4,965
Property, plant and equipment	369	476
Total non-current assets	6,807	5,441
Current assets		
Investments	42	44
Inventories	23	12
Trade and other receivables	522	234
Restricted cash	230	245
Cash and cash equivalents	641	768
Total current assets	1,458	1,303
Total assets	8,265	6,744
Liabilities		
Current liabilities		
Loans	(10)	(2)
Trade and other payables	(1,556)	(1,013)
Total current liabilities	(1,566)	(1,015)
Non-current liabilities		
Loans	(40)	(48)
Trade and other payables	(17)	(31)
Long-term provisions	(3,393)	(3,163)
Total non-current liabilities	(3,450)	(3,242)
Total liabilities	(5,016)	(4,257)
Net assets	3,249	2,487
Capital and reserves attributable to equity holders		
Share capital	5,665	4,447
Share premium	21,157	21,010
Merger reserve	2,868	2,868
Retained deficit	(26,441)	(25,838)
Total equity	3,249	2,487

These financial statements were approved by the Board of Directors and authorised for issue on 20th October 2021 and signed on its behalf by:

Simon Oddie, CEO
Company registration number 05217946

Company statement of financial position

As at 31 July

	2021 £000	2020 £000
Assets		
Non-current assets		
Property, plant and equipment	23	55
Investments	2,343	2,341
Amounts due from Group companies	588	430
Total non-current assets	2,954	2,826
Current assets		
Other receivables	69	53
Cash and cash equivalents	272	288
Total current assets	341	341
Total assets	3,295	3,167
Liabilities		
Current liabilities		
Loans	(10)	(2)
Trade and other payables	(652)	(515)
Total current liabilities	(662)	(517)
Loans	(40)	(48)
Trade and other payables	(11)	(17)
Total non-current liabilities	(51)	(65)
Total liabilities	(713)	(582)
Net assets	2,582	2,585
Capital and reserves attributable to equity holders of the parent		
Share capital	5,665	4,447
Share premium	21,157	21,010
Merger reserve	2,868	2,868
Retained deficit	(27,108)	(25,740)
Total equity	2,582	2,585

The Company has taken advantage of the exemption provided under Section 408 of the Companies Act 2006 not to publish its individual statement of comprehensive income and related notes. The loss dealt with in the financial statements of the parent Company is £1,485,000 (2020: loss of £3,072,000).

These financial statements were approved by the Board of Directors and authorised for issue on 20th October 2021 and signed on its behalf by:

S Oddie

CEO

Company registration number 05217946

Company statement of changes in equity

	Share capital £000	Share premium £000	Merger reserve £000	Retained deficit £000	Total equity £000
Balance at 1 August 2019 originally stated	4,447	21,010	2,868	(22,671)	5,654
Comprehensive loss for the year					
Loss for the year attributable to the equity shareholders of the parent	-	-	-	(3,072)	(3,072)
Total comprehensive loss for the year	-	-	-	(3,072)	(3,072)
Contributions by and distributions to owners					
Share-based payments (note 23)	-	-	-	3	3
Total contributions by and distributions to owners	-	-	-	3	3
Balance at 31 July 2020	<u>4,447</u>	<u>21,010</u>	<u>2,868</u>	<u>(25,740)</u>	<u>2,585</u>
	Share capital £000	Share premium £000	Merger reserve £000	Retained deficit £000	Total equity £000
Balance at 1 August 2020 originally stated	4,447	21,010	2,868	(25,740)	2,585
Comprehensive loss for the year					
Loss for the year attributable to the equity shareholders of the parent	-	-	-	(1,485)	(1,485)
Total comprehensive loss for the year	-	-	-	(1,485)	(1,485)
Contributions by and distributions to owners					
Issue of share capital	1,218	225	-	-	1,443
Issue of share warrants	-	(78)	-	78	-
Share-based payments	-	-	-	39	39
Total contributions by and distributions to owners	<u>1,218</u>	<u>147</u>	<u>-</u>	<u>117</u>	<u>1,482</u>
Balance at 31 July 2021	<u>5,665</u>	<u>21,157</u>	<u>2,868</u>	<u>(27,108)</u>	<u>2,582</u>

Consolidated statement of cash flows

For the year ended 31 July	2021 £000	2020 £000
Cash flows used in operating activities		
Loss after tax from continuing operations	(718)	(5,440)
Adjustments for:		
Share-based payments	39	3
Depreciation	107	186
Impairment of producing field	-	160
Exploration write off	12	4,004
Finance income	(3)	(7)
Finance expense	242	266
Taxation credit recognised in profit and loss	(127)	-
(Increase)/decrease in trade and other receivables	(288)	72
(Increase)/decrease in inventories	(11)	7
Increase/(decrease) in trade and other payables	85	(95)
Net cash used in operations	(662)	(844)
Income taxes repayment received	127	-
Net cash used in operating activities	(535)	(844)
Cash flows used in investing activities		
Purchase of property, plant and equipment	-	(100)
Purchase of intangible assets	(985)	(1,148)
Cash guarantee re Morocco	(4)	(1)
Sale of part interest in licence – associated costs	-	(12)
Interest received	3	7
Net cash used in investing activities	(986)	(1,254)
Cash flows from/ (used in) financing activities		
Gross proceeds from issue of share capital	1,583	-
Costs incurred on issue of share capital	(140)	-
Proceeds from borrowings	225	50
Repayment of borrowings	(225)	-
Lease liability payments	(35)	(73)
Lease liability interest payments	(2)	(3)
Finance costs	(7)	(1)
Net cash from/ (used in) financing activities	1,399	(27)
Net decrease in cash and cash equivalents	(122)	(2,125)
Exchange loss on cash and cash equivalents	(5)	(12)
Cash and cash equivalents at beginning of year	768	2,905
Cash and cash equivalents at end of year	641	768

Company statement of cash flows

For the year ended 31 July	2021 £000	2020 £000
Cash flows used in operating activities		
Loss after tax from continuing operations	(1,485)	(3,072)
Adjustments for:		
Share-based payments	39	3
Depreciation	32	66
Exploration write off	-	371
Movement in intercompany loan provision	1,921	3,075
Finance income	(654)	(680)
Finance expense	5	3
(Increase)/decrease in trade and other receivables	(16)	17
Increase in trade and other payables	36	11
Net cash used in operating activities	(122)	(206)
Cash flows used in investing activities		
Purchase of property, plant and equipment	-	(3)
Purchase of intangible assets	-	(69)
Movement on loans to Group companies	(1,306)	(1,981)
Interest received	-	2
Net cash used in investing activities	(1,306)	(2,051)
Cash flows from/(used in) financing activities		
Gross proceeds from issue of share capital	1,583	-
Costs incurred on issue of share capital	(140)	-
Proceeds from borrowings	225	50
Repayment of borrowings	(225)	-
Lease liability principal payment	(26)	(63)
Lease liability interest payment	(1)	(3)
Finance costs	(4)	-
Net cash from/(used in) financing activities	1,412	(16)
Net decrease in cash and cash equivalents	(16)	(2,273)
Exchange gain on cash and cash equivalents	-	8
Cash and cash equivalents at beginning of year	288	2,553
Cash and cash equivalents at end of year	272	288

**** ENDS ****

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

Simon Oddie / Murray Johnson	Europa	mail@europaoil.com
Christopher Raggett / Simon Hicks	finnCap Ltd	+44 (0) 20 7220 0500
James Pope / Andy Thacker	Turner Pope	+44 (0) 20 3657 0050
Susie Geliher / Oonagh Reidy	St Brides Partners	+44 (0) 20 7236 1177

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the company's obligations under Article 17 of MAR..