

Europa Oil & Gas (Holdings) plc ('Europa' or 'the Company')
UK Operations Update Including Major Increase in Full Year Production and Revenues

Europa Oil & Gas (Holdings) plc, the AIM listed oil and gas exploration, development and production company focussed on Europe, is pleased to provide the following trading statement and operations update which includes a significant improvement in full year UK production and revenues for the twelve months ending 31 July 2012. The Company currently has three producing assets in the UK, all located onshore in the East Midlands: West Firsby (100% working interest); Crosby Warren (100% working interest); and the Whisby 4 well (65% working interest).

Overview:

- Full year revenue up 34% to £5.1 million (2011: £3.8 million)
- Increase in revenue due to:
 - 19% growth in oil volumes to 72,360 barrels (2011: 60,956 barrels) - average daily production including gas sales of 200 barrels of oil equivalent per day ("boepd") (2011: 169 boepd) in line with management expectations
 - 10.5% increase in average oil price achieved to US\$110.0 per barrel (2011: US\$99.4)
- Drilling at either Wressle or Broughton prospects in the UK now expected to commence in Q1 2013
- Holmwood prospect planning appeal completed 19 July 2012 – result expected in Q4 2012
- 3.7 MMbbl net mean un-risked prospective oil resources for Broughton, Wressle and Holmwood as estimated in the recently published Competent Person's Report

Europa's CEO, Hugh Mackay commented, "I am delighted with the full year performance of our UK producing assets which, having produced an average of 200 boepd, has hit our production target. The 19% increase in full year volumes to 72,360 barrels compared to the previous year is partly a result of the WF-9 well at West Firsby coming on stream. In addition, our operations team has implemented a series of initiatives aimed at improving operational efficiency that have contributed to a reduction in downtime and in turn, a significant increase in the number of barrels recovered during the year. The higher average oil price over the period has also undoubtedly been a positive factor in the 34% increase in our revenues.

"In addition to covering the Company's day to day expenses, the revenue generated by our three fields also funds some of our exploration activity, including our share of

drilling costs at either Wressle or Broughton in the UK early next year. Whilst drilling will be slightly later than originally forecast, we continue to rate each prospect as having a one in three chance of increasing our current production of 200 boepd.

“In the meantime, notwithstanding the wider macroeconomic uncertainties, negotiations with potential partners looking to participate in our highly prospective licences, including the potentially large Berenx gas plays in the Aquitaine basin and our Irish Atlantic Margin interests, are on-going. We look forward to providing further updates to the market in due course.”

Further Information

Our full year audited results are scheduled to be announced during the week commencing 15 October 2012. These will include full write-offs relating to our exploration assets in Romania and the Hykeham well in PEDL 150 in the UK, anticipated to total around £6 million.

Both the Wressle and Broughton prospects in PEDL 180 and 182 are operated by Egdon Resources who will determine the exact timing of the spud date. It is expected that the operator will provide further information on these prospects later this year, following which Europa will also update the market, if appropriate.

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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 200 barrels per day of oil in the UK, generating sufficient revenues to cover corporate overheads. In addition, it has highly prospective exploration projects in the UK, Ireland France and Romania, the most significant asset being the Berenx gas appraisal project in onshore France.

Qualified Person Review

This release has been reviewed by Hugh Mackay, Chief Executive of Europa, who is a petroleum geologist with 29 years' experience in petroleum exploration and management. Mr Mackay has consented to the inclusion of the technical information in this release in the form and context in which it appears