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**16 December 2013**

**Europa Oil & Gas (Holdings) plc  
Placing and Open Offer**

**Highlights:**

- Fundraising to raise up to approximately £4.0 million, of which a minimum of approximately £3.02 million has been raised in the Placing and pursuant to Directors' undertakings to participate in the Open Offer
  - o Placing to new and existing institutional investors to raise approximately £2.86 million (gross)
  - o Intention to raise up to a further £1.16 million (gross) via the Open Offer to Qualifying Shareholders
  - o Directors have undertaken to make applications to subscribe, in aggregate, for 2,666,665 Open Offer Shares to raise approximately £160,000
- Placing and Open Offer undertaken to provide requisite financing for Europa's near-term work programme, including:
  - o Expected drilling of an exploration well at Kiln Lane, PEDL-181, onshore East Midlands, UK
  - o Furthering its work in Ireland, both in respect of the Company's existing interests in two exciting exploration licences, but also participating in the next licence round
  - o Farm-out costs and initial well planning at the Berenx Shallow prospect, onshore France
- Full details of the Open Offer, including its terms and conditions, will be announced on or around 19 December 2013 and set out in the Circular to shareholders to be posted on or around the same date
  - o Company expects advance assurance, given previously, that the Open Offer Shares would satisfy the requirements for tax relief under EIS and VCT Schemes (renewed advanced assurance from HMRC is pending)

- Conference call for analysts and investors on Monday 16 December 2013 at 11.00 GMT

Europa is pleased today to announce that it has conditionally raised £2.86 million (before expenses) by the issue of 47,694,665 New Ordinary Shares pursuant to the Placing and, furthermore, that it proposes to raise up to a further £1.16 million by the issue of up to a further 19,332,855 New Ordinary Shares pursuant to the Open Offer, in each case at an issue price of 6 pence per New Ordinary Share. The Placing is conditional upon, *inter alia*, First Admission becoming effective on 9 January 2014 or such other date as may be agreed between the Company and finnCap, such date to be no later than 31 January 2014.

The Fundraising has been undertaken to provide funding for Europa's near-term work programme and projects, including funding the Company's contribution to expected drilling of an exploration well at Kiln Lane, PEDL-181, and to further its work in Ireland, including the commissioning of a CPR on its existing assets in the region.

Europa's CEO Hugh Mackay said: *"This successful Placing shows the potential of our balanced portfolio of high impact exploration offshore Ireland and onshore France prospects; and low risk exploration and production onshore UK assets, to create substantial value for our shareholders. In line with this, I am encouraged that some blue chip institutions have chosen to become shareholders. The Board is at all times mindful of its responsibilities to existing shareholders and as a result, the decision has been made to initiate an Open Offer to Qualifying shareholders to provide them with the opportunity to participate on the same terms as those offered to the institutions under the Placing."*

*"Significantly, as a result of the Placing, we are now in a position to drill two exploration wells in the UK in 2014, each of which has a one in three chance of materially adding to our production. Revenues generated from our three producing fields in the UK will fund our share of drilling the Wressle prospect in early 2014, however the funds raised today will allow us to drill the Kiln Lane prospect on PEDL-18,1 which is located in a working hydrocarbon system where a number of discoveries have been made in adjacent licences. We estimate Kiln Lane has gross mean un-risked resources of 2.9mmbo and with a 50% interest and operatorship of the licence, we will be looking to drill a well in H2 2014. At the same time, we are now well funded to advance our plans to farm-out and drill the 416bcf (per Company estimates only) Berenx Shallow gas prospect onshore France, as well as fund our participation in the next Irish Licensing round, as we look to add to our two existing licences in the Irish Atlantic Margin where we are in partnership with Kosmos Energy. 2014 is shaping up to be an exciting year for Europa and I look forward to providing further updates on our progress in due course."*

The Board has elected to undertake the Placing by means of a cash box in order to have complete certainty around the success of the Placing. The Board is mindful of and grateful for the continuing support received from Shareholders, and accordingly intends to offer Qualifying Shareholders the

opportunity to participate in the Fundraising by way of the Open Offer to issue up to 19,332,855 New Ordinary Shares to Qualifying Shareholders. A Circular to Shareholders, setting out full details of the Open Offer and the actions to be taken by Shareholders in respect of the Open Offer, is expected to be published on or around 19 December 2013. The Open Offer is not being underwritten and is not conditional on the Placing.

It is intended that Qualifying Shareholders subscribing for their full Basic Entitlement under the Open Offer will also be able to request additional Open Offer Shares in accordance with the Excess Entitlement, up to the total number of Open Offer Shares available to Qualifying Shareholders pursuant to the Open Offer.

The Board considers the Placing and Open Offer to be in the best interests of the Company and Shareholders as a whole, and certain Directors intend to make applications to subscribe for 2,666,665 Open Offer Shares, including Excess Entitlements, in the Open Offer.

#### **Enquiries:**

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The Company will be holding a conference call for analysts and investors on Monday 16 December 2013 at 11.00 GMT. To participate in this conference call, please go to [www.meetingzone.com/presenter](http://www.meetingzone.com/presenter) using 2927389 as the participant pin to submit questions at the time of the call, and dial +44 (0) 808 109 5644, or +44 (0) 20 8322 2500 if you are calling from outside of the UK, using access code 2927389#.

#### **Important Information**

Neither the content of the Company's website (or any other website) nor any website accessible by hyperlinks on the Company's website (or any other website) is incorporated in, or forms part of, this announcement.

Any person receiving this announcement is advised to exercise caution in relation to the Placing and the Open Offer. If in any doubt about any of the contents of this announcement or the action that you should take, independent professional advice should be obtained.

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#### **Forward-looking statements**

This announcement contains (or may contain) certain forward-looking statements with respect to the Company and certain of its goals and expectations relating to its future financial condition and performance which involve a number of risks and uncertainties. No forward-looking statement is a guarantee of future performance and actual results could differ materially from those contained in any forward-looking statements. All statements, other than statements of historical facts, contained in this announcement, including statements regarding the Group's future financial position, business strategy and plans, business model and approach and objectives of management for future operations, are forward-looking statements. Generally, the forward-looking statements in this announcement use words such as "aim", "anticipate", "target", "expect", "estimate", "plan", "goal", "believe", "will", "may", "could", "should", "future", "intend", "opportunity", "potential", "project", "seek" and other words having a similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of changes in interest rates and foreign exchange rates, changes in legislation, changes in consumer habits and other factors outside the control of the Company, that may cause actual results, performance or achievements to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. All forward-looking statements contained in this announcement are based upon information available to the Directors at the date of this announcement. The forward-looking statements in this announcement are based on the relevant Directors' beliefs and assumptions and information only as of the date of this announcement, and the forward-looking events discussed in this announcement might not occur. Therefore, investors should not place any reliance on any forward-looking statements. Except as required by law or regulation, the Directors undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future earnings or otherwise.

Investors are advised to read this announcement and, once available, the Circular in their entirety for a further discussion of the factors that could affect the Company's or the Group's future performance and the industries in which they operate. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this announcement may not occur.

This summary should be read in conjunction with the full text of the announcement which follows.

### **SHARE CAPITAL AND PLACING AND OPEN OFFER STATISTICS**

Number of Existing Ordinary Shares	137,855,504
Number of Placing Shares issued under the Placing	47,694,665
Number of Open Offer Shares available under the Open Offer	19,332,855

Enlarged Share Capital	204,883,024
Issue Price of Placing Shares and Open Offer Shares	6 pence
Market capitalisation of the Company on Second Admission at the Issue Price	£12.3 million
Approximate Percentage of the Enlarged Share Capital represented by the Placing Shares	23.3 per cent.
Approximate Percentage of the Enlarged Share Capital represented by the Open Offer Shares	9.4 per cent.
Approximate Percentage of the Enlarged Share Capital represented by the Placing Shares and the Open Offer Shares in aggregate	32.7 per cent.
Estimated gross proceeds of the Placing and Open Offer	£4.02 million

**Note:**

Information given in relation to the ordinary share capital of the Company and the proceeds of the Placing and Open Offer immediately following Second Admission have been calculated on the basis that the Placing comprises 47,694,665 Placing Shares at a price of 6 per Ordinary Share, raising £2.86 million (before expenses), that all Open Offer Shares are subscribed for by Qualifying Shareholders, and that no options or warrants are exercised between the date of this announcement and Second Admission.

**1. Background to the Company and Strategy**

Europa is a UK-based oil and gas company with exploration, production and appraisal assets across three core geographies in Europe, namely, the UK, where it has three producing assets in addition to its exploration interests, and onshore France and offshore Ireland where the Company has highly prospective licences which the Directors believe offer highly compelling hydrocarbon exploration opportunities.

A summary of Europa's principal assets and activities is provided below:

***United Kingdom***

In the UK, the Company has a portfolio of both production and exploration assets.

***Production***

The Company has interests in three producing oilfields in the East Midlands region of the UK – a 100 per cent. working interest in both the West Firsby and Crosby Warren fields and a 65 per cent. non-operated interest in the Whisby-4 well. Total net production for the last financial year to 31 July 2013 was 182 boepd. Since that date, these assets have continued to perform in accordance with the Board's expectations, with average production of 172 boepd for the four month period ending 30 November 2013.

***Exploration***

***PEDL-181 (Kiln Lane-1)***

Europa has a 50 per cent. interest in and is the operator of the PEDL-181 licence in the Humber Basin, with Egdon Resources UK Limited and Celtique Energie Petroleum Ltd, each holding a 25 per cent. interest. PEDL-181 is located in the Carboniferous petroleum play and covers an area of over 540 km<sup>2</sup>.

The Board considers that the licence has good potential for conventional oil and gas. It is located in a working hydrocarbon system where a number of other discoveries have been made in adjacent licences but PEDL-181 itself has been overlooked by the industry and has not been previously drilled. The Board is also aware that the area may have potential as a shale gas resource.

Europa has conducted considerable technical work on PEDL-181 during the last 18 months including acquisition of a 78 km 2D seismic in the first quarter of 2013, reprocessing of an existing 150 km<sup>2</sup> 3D survey together with detailed regional evaluation and prospect specific mapping. The outcome of this work is the identification of a drillable conventional oil and gas prospect at the Kiln Lane location in the east of the licence approximately 28 km from Europa's producing Crosby Warren oil field. This previously unknown prospect is a robust structural closure prospective for Carboniferous sandstone reservoirs. Exploration success at this location would be a significant milestone and would substantially derisk a number of leads for possible follow-up drilling. Europa's research indicates that the Kiln Lane prospect has gross mean unrisks resources of 2.9 mmbo and a chance of success of 36 per cent. In the event of exploration success Europa intends to conduct an extended well test for the purpose of enabling a fast track development.

The table below sets out the indicative gross and net mean unrisks resources of Kiln Lane (*Source: Europa internal technical analysis*):

**Kiln Lane Unrisks Resources**

	Gross	Net to EOG
<b>P90</b>	0.50	0.25
<b>P50</b>	1.80	0.90
<b>P10</b>	6.70	3.35
<b>Mean</b>	2.90	1.45

Later in December 2013 the Company expects to make a firm commitment to DECC to drill the Kiln Lane well and, following preliminary discussions with DECC, it is anticipated that phase 1 of the PEDL-181 licence will be extended by one year until 30 June 2015 to enable fulfilment of this drilling commitment.

Accordingly, Europa, and its partners, have commenced the site selection process and expect to submit a planning application in March 2014 for the drilling of an exploration well. It is currently expected that this well will spud in the second half of 2014.

*PEDL-180 (Wressle)*

PEDL-180 covers an area of 100 km<sup>2</sup> of the East Midlands Petroleum Province south of the Crosby Warren field. Europa has a 33.3 per cent. working interest in the block with its partners Egdon Resources (25 per cent. and operator), Celtique Energie (33.3 per cent.) and Union Jack Oil (8.3 per cent.). 49 km<sup>2</sup> of 3D seismic covering PEDL-180 and PEDL-182 was acquired in the first quarter of 2012 and has been processed and interpreted. The operator estimates the Wressle prospect to hold mean gross un-risks recoverable resources of 2.1 mmbo.

Drilling at Wressle is anticipated to take place in the first quarter of 2014, with Europa's share of the costs fully funded from its existing resources.

*PEDL-182 (Broughton)*

PEDL-182 is an area of 40 km<sup>2</sup> to the north of PEDL-180 in which Europa has a 33.3 per cent. working interest with its partners Egdon Resources (33.3 per cent. and operator) and Celtique Energie (33.3 per cent.). The Broughton prospect was previously drilled by BP plc and flowed oil. A CPR in May 2012 (available on Europa's website) estimated the Broughton prospect to hold mean gross un-risked recoverable resources of 1.85 mmbo. The Board and its partners in this licence will consider its intentions and plans in respect of the licence in light of drilling results at PEDL-180.

### *PEDL-143 (Holmwood)*

Europa considers Holmwood to be one of the most exciting undrilled exploration prospects in the UK. As set out in the Company's final results and report for the year ended 31 July 2013, the Board continues to work with its legal advisers in preparation for a hearing in the Court of Appeal at the end of April, or early May, 2014 in respect of Europa's application for planning permission for a temporary exploration well on this site.

## ***Ireland***

### *Exploration*

The Board continue to be particularly excited by the potential of its two FELs in the South Porcupine Basin offshore southwest Ireland; FEL 2/13 (formerly LO 11/7 containing the Mullen prospect) and FEL 3/13 (formerly LO 11/8, Kiernan).

Europa, based on technical work to date and interpretation of pre-existing 2D seismic, estimates Mullen and Kiernan together to have gross mean un-risked indicative resources of 482 million barrels of oil and 1.612 billion barrels of oil equivalent respectively. On 18 April 2013, the Board considers that significant technical and financial validation was provided in relation to its Irish prospects when Europa announced a farm-in to both licences. Kosmos agreed to farm-in, earning an 85 per cent. interest and operatorship. In May 2013, the Irish government approved the conversion of the two LOs to FELs. Kosmos will fund the majority of the costs of developing these prospects, including a 3D seismic survey over each licence, and subject to both companies wishing to continue into further phases, Kosmos will pay 100 per cent. of the costs of the first exploration well subject to caps of \$90 million in FEL 2/13 and \$110 million in FEL 3/13. Europa must pay its equity share of the general and administrative costs during the well phase, but, under the terms of the farm out agreement, these costs are capped at \$450,000 on each licence.

Further information in respect of the Mullen and Kiernan prospects were provided to Shareholders in the Company's announcements dated 6 November 2012 and 16 January 2013 and detailed summary of the Company's work with Kosmos to date is set out in the Company's annual report and accounts for the year ended 31 July 2013 (available on the Company's website).

The 3D seismic survey was completed in October 2013, with the interpretation anticipated to be available at the end of June 2014, at which time decisions will be made in respect of drilling of the Kiernan and Mullen prospects. The Board believes that the earliest date for a first exploration well on either prospect would be 2015. Meanwhile, a CPR is scheduled to be commissioned during the course of 2014.

The Board believes that the technical insights that Europa has gained from its work in the South Porcupine Basin provides a competitive edge which will stand it in good stead as it seeks to participate in the next licencing round in Ireland, expected to open in April 2014.

## ***France***

### *Exploration*

Europa holds a 100 per cent. interest in the onshore Béarn des Gaves permit in the Aquitaine basin, the heartland of the French oil industry, and a 100 per cent. interest in the Tarbes Val d'Adour permit. Whilst the latter remains subject to renewal by the relevant French authorities, the Company's permit in Béarn des Gaves was renewed in October 2013 for a period of five years commencing March 2012. The Béarn des Gaves permit contains two prospects: Berenx Deep and Berenx Shallow.

Berenx Deep is an appraisal project having previously been explored and drilled by EssoRep with two wells, 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. Ongoing re-evaluation and interpretation of existing seismic and well data on Berenx Deep 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 by the Company 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 has resulted in an upgrade in the Company's estimation of the Berenx Shallow gas prospectivity to estimated potential gross mean un-risked resources of 416 bcf.

The table below sets out the indicative gross and net (on the basis of assumed and indicative farm-down) unrisked resources of Berenx Deep and Berenx Shallow (*Source: Europa internal technical analysis*):

	<b>Berenx Deep</b>		<b>Berenx Shallow</b>	
	<b>Gross mmb/bl/bcf</b>	<b>Net to EOG* mmb/bl/bcf</b>	<b>Gross mmb/bl/bcf</b>	<b>Net to EOG** mmb/bl/bcf</b>
P90	11.0	4.0	44.0	22.0
P50	46.0	18.0	68.0	34.0
P10	212.0	85.0	97.0	48.0
Mean	94.2	37.7	69.3	34.7

\* assuming farm-down to 40 per cent.

\*\* assuming farm-down to 50 per cent.

The Board remains committed to the farm-out of the permit whilst also undertaking well permitting and drilling to confirm a well location for Berenx Shallow ahead of drilling in 2014. The Board continues to contemplate a farm-out of both Berenx Deep and Berenx Shallow assets.

## **2. Use of proceeds of the Placing and Open Offer**

The Placing has raised gross proceeds of approximately £2.86 million (before commission and other costs of the Fundraising).

The Board believes that the net proceeds of the Placing will be sufficient to meet the Group's near-term work programme and working capital requirements. However, the Board wish to make the Open Offer to Shareholders, which will provide additional funds to the Company to progress its exploration projects and other activities. Assuming the take-up in full of the Open Offer, the maximum gross proceeds to the Company from the Open Offer would be approximately £1.16 million.

*United Kingdom*



The Company and its partners intend to drill an exploration well at Kiln Lane, PEDL-181, in the second half of 2014, subject to having secured the requisite planning and permitting requirements. If the well is successful, the Company anticipates testing the well for a period of up to six months. The Placing is specifically intended to enable Europa to satisfy its pro-rata contribution to the costs of the advancement of this licence.

Separately, in the UK, whilst currently intended to be fully funded from existing resources, the Company has a firm commitment to contribute to the costs of drilling on the PEDL-180 licence at Wressle in the first quarter of 2014, and the net proceeds of the Placing will alleviate the impact of this on the Company's working capital resources.

#### *Ireland*

The net proceeds of the Placing will provide the Company with the means to further its work in Ireland, where it has developed specific knowledge and contacts as a result of its work in the region to date and where a further licensing round is expected in April 2014. Under the terms of the farm out agreements with Kosmos, the Company is required to pay its share of non-well costs following the completion of the seismic interpretation. A CPR on the Irish licences is planned to be commissioned in the course of 2014.

#### *Working capital & other*

The Company will deploy amounts remaining as working capital to continue the Company's work across its other geographies, including initial well planning at its Berenx Shallow prospect, onshore France and the costs of seeking a farm-out arrangement.

A summary of the Board's current intentions for the deployment of the net proceeds of the Placing and the expected participation by certain Directors in the Open Offer is as follows:

<b>Use of Proceeds</b>	<b>£ million</b>
<b>UK, Kiln Lane / PEDL-181</b>	
- <i>Well cost</i>	1.15
- <i>Extended well test</i>	0.50
- <i>Well planning, permitting and other</i>	0.25
<b>Ireland</b>	0.60
- <i>Contribution toward JV working capital costs</i>	
- <i>Costs of participation in next licensing round</i>	
- <i>CPR to be commissioned in 2014</i>	
<b>Working capital</b>	0.50
- <i>Farm-out costs and preliminary well planning at Berenx Shallow, France</i>	
<b>Total</b>	<b>3.00</b>

The Board are, as always, mindful that unexpected events, including operational outcomes or events outside the Board's control, may result in the proceeds of the Placing and the Open Offer being deployed in a differing manner to that set out above or on a differing timescale to that currently envisaged.

### **3. Principal terms of the Fundraising**

The Fundraising has been structured as follows:

1. The Placing to raise £2.86 million, structured as a cash box, in order to provide certainty of funding for the Company; and
2. Proposed Open Offer to raise up to £1.16 million to enable Qualifying Shareholders to participate in the Fundraising.

### ***The Placing***

The Company has conditionally raised through a cash box placing structure gross proceeds of £2.86 million pursuant to the terms of the Placing Agreement. As the Placing Shares are not being allotted for a cash consideration, statutory pre-emption rights will not apply to the issue of the Placing Shares.

Under the Placing Agreement, finnCap, as the Company's agent, agreed to use its reasonable endeavours to place the Placing Shares with institutional investors. The Placing is conditional upon, inter alia, First Admission becoming effective on or before 8 a.m. on 9 January 2014 or such later date as the Company and finnCap may agree (but in any event no later than 31 January 2014) but is not conditional upon the Open Offer. The Placing has been effected under the Company's existing authorities to issue new Ordinary Shares, as granted to the Board pursuant to resolutions passed on 10 December 2013.

The New Ordinary Shares to be issued pursuant to the Placing will be issued fully paid and will rank pari passu in all respects with the Existing Ordinary Shares, and will rank in full for all dividends and other distributions declared, made or paid on or after First Admission in respect of the Ordinary Shares. Application has been made for the admission of the Placing Shares to trading on AIM, which is expected to take place at 8.00 a.m. on 9 January 2014.

### ***The Open Offer***

The Board is mindful of and grateful for the continuing support received from all Shareholders and accordingly intends to offer Qualifying Shareholders of the Company the opportunity to subscribe for new shares on a pre-emptive basis on the same terms as the Placing by launching the Open Offer to issue up to 19,332,855 Open Offer Shares at the Issue Price.

It is intended that Qualifying Shareholders subscribing for their full Basic Entitlement under the Open Offer will also be able to request additional Open Offer Shares in accordance with the Excess Entitlement, up to the total number of Open Offer Shares available to Qualifying Shareholders pursuant to the Open Offer.

**Full details of the Open Offer, including its terms and conditions, will be announced on or around 19 December 2013 and set out in the Circular.**

#### **4. Directors' shareholdings**

Certain Directors, being Bill Adamson, Hugh Mackay, Phil Greenhalgh and Roderick Corrie, have undertaken to make applications to participate in the Open Offer and will make applications to subscribe for, in aggregate 2,666,665 Open Offer Shares, as detailed in the table below:

<i>Director</i>	<i>As at the date of this Announcement</i>		<i>As at Second Admission</i>	
	<i>Number of Ordinary Shares held</i>	<i>Number of Open Offer Shares to be applied for (including Excess Applications)</i>	<i>Number of Ordinary Shares*</i>	<i>per cent. of Enlarged Share Capital**</i>

Bill Adamson	575,000	166,666	741,666	0.36%
Hugh Mackay	860,823	1,666,666	2,527,489	1.23%
Phil Greenhalgh	250,000	333,333	583,333	0.28%
Roderick Corrie	103,496	500,000	603,496	0.29%

*\* Assuming each Director's application in the Open Offer is satisfied in full*

*\*\* Assuming the Open Offer is fully subscribed and assuming no warrants or options are exercised between the date of this announcement and Second Admission*

## 5. EIS/VCT Schemes

The Company has applied for and is awaiting confirmation of advance assurance from HMRC that the Open Offer Shares with VCT Schemes are expected to constitute a qualifying holding for such VCT Schemes. HMRC has also been requested to confirm that the Open Offer Shares should satisfy the requirements for tax relief under the EIS. The Company has previously applied for and received confirmation of advance assurance of qualifying status under VCT Schemes and the EIS, the most recent being 26 February 2013, and it is not anticipated that there have been any material changes since the previous application to suggest that renewed confirmation should not be provided although no guarantees or assurance can be given in this regard.

## DEFINITIONS

The following definitions apply throughout this announcement, unless the context otherwise requires:

<b>“Act”</b>	the Companies Act 2006 (as amended)
<b>“First Admission”</b>	the admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
<b>“AIM Rules”</b>	the AIM Rules for Companies governing the admission to and operation of AIM published by the London Stock Exchange as amended from time to time
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange
<b>“Application Form”</b>	the application form relating to the Open Offer for use by Qualifying Shareholders
<b>“Articles”</b>	the articles of association of the Company (as amended from time to time)
<b>“Basic Entitlement”</b>	pre-emptive entitlement to subscribe for Open Offer Shares, rounded down to the nearest whole number of shares, allocated to a Qualifying Shareholder pursuant to the Open Offer
<b>“Board” or “the Directors”</b>	the directors of the Company
<b>“Circular”</b>	a circular to Shareholders in respect of the Open Offer, expected to be published on or around 19 December 2013
<b>“City Code”</b>	the City Code on Takeovers and Mergers

<b>“CREST”</b>	the relevant system (as defined in the Uncertified Securities Regulations 2001 (SI 2001 No 3875)) for the paperless settlement of trades and the holding of uncertificated securities, operated by Euroclear UK & Ireland Limited, in accordance with the same regulations
<b>“EIS”</b>	the Enterprise Investment Scheme under the provisions of Part 5 of the Income Tax Act 2007
<b>“Enlarged Share Capital”</b>	the issued Ordinary Share capital of the Company immediately following Second Admission comprising the Existing Ordinary Shares and the New Ordinary Shares assuming full subscription under the Open Offer and the Placing and assuming no exercise of any warrants and options between the date of this announcement and Second Admission
<b>“Europa” or “Company” or “EOG”</b>	Europa Oil & Gas (Holdings) plc, a company registered in England and Wales with company number 5217946
<b>“Excess Entitlement”</b>	Open Offer Shares in excess of the Basic Entitlement, but not in excess of the total number of Open Offer Shares, available to Qualifying Shareholders pursuant to the Open Offer
<b>“Existing Ordinary Shares”</b>	the 137,855,504 Ordinary Shares in issue as at the date of this announcement being the entire issued share capital of the Company prior to the Placing and the Open Offer
<b>“FCA”</b>	the Financial Conduct Authority of the UK
<b>“finnCap” or “Broker”</b>	finnCap Ltd, a company incorporated in England and Wales with registered number 06198898, whose registered office is at 60 New Broad Street, London, EC2M 1JJ, the Company’s nominated adviser and broker
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended)
<b>“Fundraising”</b>	together, the Placing and Open Offer
<b>“Group”</b>	together the Company and its subsidiary undertakings
<b>“HMRC”</b>	Her Majesty’s Revenue & Customs
<b>“Issue Price”</b>	6 pence per Ordinary Share
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“New Ordinary Shares”</b>	the Placing Shares and the Open Offer Shares
<b>“Open Offer Entitlements”</b>	entitlements to subscribe for shares pursuant to the Basic Entitlement and Excess Entitlement
<b>“Open Offer Shares”</b>	up to 19,332,855 new Ordinary Shares to be issued pursuant to the Open Offer
<b>“Open Offer”</b>	the offer to Qualifying Shareholders, constituting an invitation to apply for the Open Offer Shares on the terms and subject to the

conditions to be set out in the Circular and, in the case of Qualifying Non-CREST Shareholders, in the Application Form.

<b>“Ordinary Shares”</b>	ordinary shares of one pence each in the capital of the Company having the rights and being subject to the restrictions contained in the Articles
<b>“Overseas Shareholders”</b>	Shareholders on the Record Date with registered addresses, or who are citizens or residents of, or incorporate in, countries outside of the United Kingdom
<b>“Placing Agreement”</b>	the placing agreement dated 13 December 2013 between (1) the Company and (2) finnCap in relation to the Placing and First Admission
<b>“Placing Shares”</b>	the 47,694,665 new Ordinary Shares which have been conditionally placed with institutional investors pursuant to the Placing and subject to the terms and conditions in the Placing Agreement
<b>“Placing”</b>	the conditional non pre-emptive placing undertaken by finnCap, as agent for the Company of the Placing Shares at the Issue Price with institutional investors pursuant to the terms of the Placing Agreement
<b>“Qualifying Overseas Jurisdiction”</b>	any and all of the Republic of Ireland, the Netherlands and Poland
<b>“Qualifying Shareholders”</b>	Shareholders on the register of members on the Record Date with addresses for service in the UK or a Qualifying Overseas Jurisdiction
<b>“Record Date”</b>	the record date for entitlements under the Open Offer, as set out in the Circular
<b>“Registrar” or “Receiving Agent” or “Computershare”</b>	Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ
<b>“Regulatory Information Service”</b>	a service approved by the London Stock Exchange for the distribution to the public of AIM announcements and included within the list on the website of the London Stock Exchange;
<b>“Second Admission”</b>	the admission of the Open Offer Shares to trading on AIM becoming effective in accordance with the AIM Rules
<b>“Shareholders”</b>	registered holders of Ordinary Shares
<b>“UK”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“UKLA”</b>	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>“VCT Scheme”</b>	the Venture Capital Trust scheme under the provisions of Part 6 of the Income Tax Act 2007

A reference to £ is to pounds sterling, being the lawful currency of the UK.

A reference to US\$ is to United States of America (USA) dollars, being the lawful currency of the USA.

A reference to € or Euro is to the lawful currency of the Euro area.

## GLOSSARY

<b>“bcf”</b>	billion cubic feet
<b>“boepd”</b>	barrels of oil equivalent per day
<b>“cash box” or “cash box placing structure”</b>	a placing of new shares issued in such a way as to fall within the exemption afforded by section 565 Companies Act 2006 (i.e., issue of new shares for non cash consideration)
<b>“Celtique Energie Petroleum”</b>	Celtique Energie Petroleum Ltd
<b>“CPR”</b>	competent person's report
<b>“DECC”</b>	United Kingdom Department of Energy & Climate Change
<b>“Egdon Resources”</b>	Egdon Resources UK Limited
<b>“EIS”</b>	Enterprise Investment Scheme
<b>“FEL”</b>	frontier exploration licences
<b>“Kosmos”</b>	Kosmos Energy Ireland
<b>“mmbbl”</b>	million barrels
<b>“LO”</b>	licensing option
<b>“Union Jack Oil”</b>	Union Jack Oil plc