

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised for the purposes of the Financial Services and Markets Act 2000 (“FSMA”) who specialises in advising on the acquisition of shares and other securities before taking any action. The whole of this document should be read. You should be aware that an investment in the Company involves a high degree of risk and prospective investors should in particular carefully consider the section entitled “Risk Factors” set out in Part II of this document.

If you have sold or transferred all of your Ordinary Shares on or before the Record Date please forward this document, together with the accompanying Application Form, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other party through whom the sale or transfer was effected for transmission to the purchaser or transferee. Such documents should, however, not be forwarded to or transmitted into any jurisdiction outside of the UK or a Qualifying Overseas Jurisdiction if to do so would constitute a violation of the relevant law and/or regulations of such jurisdiction. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. If you have sold or transferred only part of your registered holding of Ordinary Shares on or before the Record Date, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

The total consideration under the Fundraising shall be less than €5 million (or an equivalent amount) in aggregate and the Placing Shares shall only be available to qualified investors for the purposes of the Prospectus Rules or otherwise in circumstances not resulting in an offer of transferable securities to the public under section 102B of FSMA. The Fundraising does not constitute an offer to the public requiring an approved prospectus under section 85 of FSMA and accordingly this document does not constitute a prospectus for the purposes of the Prospectus Rules made by the Financial Conduct Authority of the United Kingdom (“FCA”) pursuant to sections 73A(1) and (4) of FSMA and has not been pre-approved by the FCA pursuant to sections 85 and 87 of FSMA, the London Stock Exchange, any securities commission or any other authority or regulatory body. In addition this document does not constitute an admission document drawn up in accordance with the AIM Rules for Companies.

The Company’s Ordinary Shares are currently admitted to trading on AIM. Applications will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that, subject to, *inter alia*, the passing of Resolution 1 at the General Meeting in respect of the Conditional Placing Shares, that the Second Admission will become effective, and dealings for normal settlement in the Conditional Placing Shares and Open Offer Shares will commence, at 8.00 a.m. on 24 July 2015. The New Ordinary Shares will not be admitted to trading on any other investment exchange.

**AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the UKLA has examined or approved the contents of this document. The AIM Rules are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the Existing Ordinary Shares or the New Ordinary Shares to the Official List.**

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## EUROPA OIL & GAS (HOLDINGS) PLC

(Registered in England and Wales under number 05217946)

**Firm Placing of 20,000,000 New Ordinary Shares, Conditional Placing of 2,630,000 New Ordinary Shares and Open Offer of up to 34,147,170 New Ordinary Shares at 6 pence per Ordinary Share**

and

### Notice of General Meeting

### Nominated adviser and broker



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You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter from the Chairman of the Company explaining the background to, and reasons for, the Fundraising which is set out in Part I of this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting and to the Risk Factors in Part II of this document which contains a discussion of certain factors that should be considered by Shareholders when considering whether or not to make an investment in the Company.

Notice of a General Meeting of the Company, to be held the offices of finnCap Ltd, at 60 New Broad Street, London EC2M 1JJ at 10.00 a.m. on 23 July 2015 is set out at the end of this document. If you are unable to attend and vote at the General Meeting, a Form of Proxy for use at the meeting is enclosed. To be valid, Forms of Proxy should be

**completed, signed and returned so as to be received by the Company's Registrars, Computershare Investor Services PLC at Corporate Actions Projects, Bristol, BS99 6AH, as soon as possible, but in any event so as to be received not later than 48 hours before the time of the General Meeting, being 10.00 a.m. on 21 July 2015. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish. Please refer to the detailed notes contained in the Notice of General Meeting and the Form of Proxy.**

This document does not constitute an offer to sell, or the solicitation of an offer to buy, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, or under the applicable securities laws of any state of the United States or any province or territory of Canada, Japan or Australia. Accordingly, unless a relevant exemption from such requirements is available, the Open Offer Shares may not, subject to certain exceptions, be offered, sold, taken up, re-sold or delivered, directly or indirectly, within the United States, Canada, Japan or Australia or in any other country, territory or possession where to do so may contravene local securities laws or regulations. Shareholders who believe that they, or persons on whose behalf they hold Ordinary Shares, are eligible for an exemption from such requirements should refer to paragraph 7 of Part III of this document to determine whether and how they may participate.

**Overseas Shareholders and any person (including, without limitation, nominees, custodians and trustees) who has a contractual or other legal obligation to forward this document or an Application Form to a jurisdiction outside the UK or a Qualifying Overseas Jurisdiction should read paragraph 7 of Part III of this document.**

Qualifying non-CREST Shareholders will find an Application Form enclosed with this document. Applications under the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of the sale or transfer of Ordinary Shares prior to the date on which the relevant Ordinary Shares are marked "ex" the entitlement by the London Stock Exchange. Holdings of Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purposes of calculating entitlements under the Open Offer. The latest time for application and payment in full under the Open Offer is 11.00 a.m. on 22 July 2015 and the procedure for application and payment is set out in Part III of this document.

finnCap Ltd ("finnCap"), which is authorised and regulated in the United Kingdom by the FCA and is a member of the London Stock Exchange, is Europa's nominated adviser and broker for the purposes of the AIM Rules. finnCap is acting exclusively for the Company and will not be responsible to any other person for providing the protections afforded to its customers nor for providing advice in relation to the contents of this document or any other matter referred to herein. finnCap has not authorised the contents of this document for any purpose and, without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by finnCap as to any of the contents or the completeness of this document.

#### **FORWARD-LOOKING STATEMENTS**

This document contains "forward-looking statements" which includes all statements other than statements of historical fact including, without limitation those regarding the Company's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "might", "anticipates", "would", "could" or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for the Open Offer	5.00 p.m. on 3 July 2015
Publication and posting of this document and Application Form	6 July 2015
Ex-entitlement Date	7 July 2015
Basic Entitlements and Excess Entitlements credited to stock accounts in CREST for Qualifying Shareholders	7 July 2015
Admission and dealings in the Firm Placing Shares to commence on AIM	8.00 a.m. on 10 July 2015
Recommended latest time and date for requested withdrawal of Basic Entitlements and Excess Entitlements from CREST	4.30 p.m. on 16 July 2015
Latest time and date for depositing Basic Entitlements and Excess Entitlements into CREST	3.00 p.m. on 17 July 2015
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 20 July 2015
<b>Latest time and date for receipt of Application Form and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)</b>	<b>11.00 a.m. on 22 July 2015</b>
Latest time and date for completed Forms of Proxy to be valid at the General Meeting	10.00 a.m. on 21 July 2015
General Meeting	10.00 a.m. on 23 July 2015
Announcement of the results of the General Meeting and Open Offer	23 July 2015
Admission and dealings in the Conditional Placing Shares and Open Offer Shares to commence on AIM	8.00 a.m. on 24 July 2015
CREST accounts credited with Open Offer Shares	24 July 2015
Definitive share certificates for the Open Offer Shares to be dispatched (if appropriate) by	31 July 2015

*If any of the details contained in the timetable above should change, the revised time and dates will be notified to Shareholders by means of a Regulatory Information Service (as defined in the AIM Rules) announcement. All events listed in the above timetable are conditional on the conditions in the Placing Agreement and Placing and Open Offer Agreement becoming unconditional in all respects and, in respect of the Conditional Placing Shares, the passing of Resolution 1 to be proposed at the General Meeting.*

*In this document, all references to times and dates are to dates and times in London, United Kingdom.*

*If you have any questions on the procedure for acceptance and payment, you should contact Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH, telephone: 0870 889 4072 from the UK or +44 870 889 4072 from overseas.*

*Calls from UK landlines are typically charged up to 9p per minute; calls from mobiles typically cost between 8p and 40p per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30 a.m. until 5.30 p.m. (London time) Monday to Friday (excluding UK public holidays). Please note that Computershare cannot provide financial advice on the merits of the Fundraising or as to whether or not you should take up your entitlement.*

*The ISIN code for the Ordinary Shares is GB00B03CJS30. The ISIN code for the Open Offer Basic Entitlements is GB00BYW73L88. The ISIN for Open Offer Excess Entitlements is GB00BYW73M95.*

## **SHARE CAPITAL, FIRM PLACING, CONDITIONAL PLACING AND OPEN OFFER STATISTICS**

Issue Price	6 pence
Number of Existing Ordinary Shares in issue	204,883,024
Number of Firm Placing Shares to be issued pursuant to the Firm Placing	20,000,000
Number of Conditional Placing Shares to be issued pursuant to the Conditional Placing	2,630,000
Number of Open Offer Shares to be issued pursuant to the Open Offer*	34,147,170
Aggregate number of New Ordinary Shares to be issued pursuant to the Fundraising*	56,777,170
New Ordinary Shares as a percentage of the Enlarged Share Capital of the Company following the Fundraising*	21.70 per cent.
Number of Ordinary Shares in issue following the Fundraising*	261,660,194
Estimated gross proceeds of the Placings	£1.4 million
Estimated gross proceeds of the Open Offer*	£2.0 million
Estimated gross proceeds of the Fundraising*	£3.4 million

\*Assuming full take up of the Open Offer Shares

## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	Colin Bousfield ( <i>Non-executive Chairman</i> ) Hugh GD Mackay ( <i>Chief Executive Officer</i> ) Phil Greenhalgh ( <i>Finance Director</i> ) William Ahlefeldt-Laurvig ( <i>Non-executive Director</i> ) Roderick JHM Corrie ( <i>Non-executive Director</i> )
<b>Registered Office</b>	6 Porter Street London W1U 6DD Telephone number: 020 7224 3770
<b>Website</b>	<a href="http://www.europaoil.com">www.europaoil.com</a>
<b>Company Secretary</b>	Phil Greenhalgh
<b>Nominated Adviser and Broker to Company</b>	finnCap Ltd 60 New Broad Street London EC2M 1JJ
<b>Auditor</b>	BDO LLP 55 Baker Street London W1U 7EU
<b>Solicitor to the Company</b>	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
<b>Solicitor to the Nominated Adviser and Broker</b>	Jones Day 21 Tudor Street London EC4Y 0DJ
<b>Registrar</b>	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE

## DEFINITIONS

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

<b>“Act”</b>	the Companies Act 2006 (as amended)
<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 and enclosed with this document 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>	entitlement to subscribe for Open Offer Shares, allocated to a Qualifying Shareholder pursuant to the Open Offer as described in Part III of this document
<b>“Board” or “the Directors”</b>	the directors of the Company, as at the date of this document, whose names are set out on page 6 of this document
<b>“City Code”</b>	the City Code on Takeovers and Mergers
<b>“Closing Date”</b>	the date on which the Open Offer will close, being 11.00 a.m. on 22 July 2015 or such later time and date as the Directors and Broker may agree
<b>“Conditional Placing”</b>	the conditional placing of New Ordinary Shares, subject to the passing of Resolution 1 to be proposed at the General Meeting
<b>“Conditional Placing Shares”</b>	the New Ordinary Shares to be issued pursuant to the Conditional Placing
<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>“CREST member”</b>	a person who has been admitted by Euroclear UK & Ireland as a system-member (as defined in the CREST Regulations)
<b>“CREST participant”</b>	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
<b>“CREST payment”</b>	shall have the meaning given in the CREST Manual issued by Euroclear UK & Ireland
<b>“CREST Regulations”</b>	the Uncertified Securities Regulations 2001, as amended
<b>“CREST sponsor”</b>	a CREST participant admitted to CREST as a CREST sponsor
<b>“CREST sponsored member”</b>	a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)
<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
<b>“Europa” or “Company” or “EOG”</b>	Europa Oil & Gas (Holdings) plc, a company registered in England and Wales with company number 05217946
<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, allocated to a Qualifying Shareholder pursuant to the Open Offer as described in Part III of this document
<b>“Existing Ordinary Shares”</b>	the 204,883,024 Ordinary Shares in issue as at the date of this document being the entire issued share capital of the Company prior to the Firm Placing, Conditional 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>“Firm Placing”</b>	the conditional firm placing by finnCap, as agent of and on behalf of the Company, of Firm Placing Shares at the Issue Price on the terms and subject to the conditions in the Placing Agreement and the Placing Letter
<b>“Firm Placing Shares”</b>	20,000,000 New Ordinary Shares which are to be issued under the Firm Placing and are to be admitted to trading on AIM on 10 July 2015
<b>“First Admission”</b>	the admission of the Firm Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
<b>“Form of Proxy”</b>	the form of proxy for use in relation to the General Meeting enclosed with this document
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended)
<b>“Fundraising”</b>	together, the Placings and the Open Offer
<b>“General Meeting”</b>	the General Meeting of the Company, convened for 10.00 a.m. on 23 July 2015 or at any adjournment thereof, notice of which is set out at the end of this document
<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 Group plc
<b>“New Ordinary Shares”</b>	as the case may be, the Firm Placing Shares, the Conditional Placing Shares and/or the Open Offer Shares
<b>“Notice of General Meeting”</b>	the notice convening the General Meeting, as set out in Part V of this document
<b>“Official List”</b>	the Official List of the UKLA

<b>“Open Offer Entitlements”</b>	entitlements to subscribe for shares pursuant to the Basic Entitlement and Excess Entitlement
<b>“Open Offer”</b>	the conditional invitation to Qualifying Shareholders to apply for up to 34,147,170 New Ordinary Shares at a price of 6 pence each on a pre-emptive basis
<b>“Open Offer Shares”</b>	up to 34,147,170 New Ordinary Shares to be issued pursuant to the Open Offer
<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 incorporated in, countries outside of the United Kingdom
<b>“Placing Agreement”</b>	the placing agreement dated 3 July 2015 between finnCap and the Company relating to the Firm Placing, details of which are set out in paragraph 6.7 of Part IV (Additional Information) of this document
<b>“Placing and Open Offer Agreement”</b>	the placing and open offer agreement dated 3 July 2015 between (1) the Company and (2) finnCap, in relation to the Conditional Placing and the Open Offer, details of which are set out in paragraph 6.8 of Part IV (Additional Information) of this document
<b>“Placings”</b>	together, the Firm Placing and the Conditional Placing
<b>“Placing Shares”</b>	together, the Firm Placing Shares and the Conditional Placing Shares
<b>“Prospectus Rules”</b>	the rules made by the FCA pursuant to sections 73A(1) and (4) of FSMA
<b>“Publicly Available Information”</b>	any information published by the Company using a Regulatory Information Service
<b>“Qualifying CREST Shareholders”</b>	Qualifying Shareholders holding Ordinary Shares in uncertificated form
<b>“Qualifying Non-CREST Shareholders”</b>	Qualifying Shareholders holding Ordinary Shares in certificated form
<b>“Qualifying Overseas Jurisdiction”</b>	any and all of the Republic of Ireland, the Netherlands and Poland
<b>“Qualifying Shareholders”</b>	subject to any restrictions imposed on Overseas Shareholders, holders of Ordinary Shares whose names appear on the register of members of the Company on the Record Date
<b>“Record Date”</b>	5.00 pm on 3 July 2015
<b>“Registrar” or “Receiving Agent” or “Computershare”</b>	Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE
<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>“Resolutions”</b>	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting
<b>“Second Admission”</b>	the admission of the Conditional Placing Shares and 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>bboe</b> ”	billion barrels of oil equivalent
“ <b>bcf</b> ”	billion cubic feet
“ <b>boepd</b> ”	barrels of oil equivalent per day
“ <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>ERCE</b> ”	ERC Equipoise Ltd
“ <b>EWT</b> ”	extended well test
“ <b>FDP</b> ”	field development plan
“ <b>FEL</b> ”	Frontier exploration licence
“ <b>FOA</b> ”	Farm out agreement
“ <b>Kosmos</b> ”	Kosmos Energy Ireland
“ <b>LO</b> ”	licensing option
“ <b>mmbboe</b> ”	million barrels of oil equivalent
“ <b>NPV</b> ”	net present value
“ <b>TD</b> ”	Total depth
“ <b>Union Jack Oil</b> ”	Union Jack Oil plc

## PART I

### LETTER FROM THE CHAIRMAN

#### EUROPA OIL & GAS (HOLDINGS) PLC

(incorporated and registered in England and Wales with registered number 05217946)

*Directors:*

Colin Bousfield (*Non-executive Chairman*)  
Hugh GD Mackay (*Chief Executive Officer*)  
Phil Greenhalgh (*Finance Director*)  
William Ahlefeldt-Laurvig (*Non-executive Director*)  
Roderick JHM Corrie (*Non-executive Director*)

*Registered Office*

6 Porter Street  
London W1U 6DD

6 July 2015

Dear Shareholder,

**Firm Placing of 20,000,000 New Ordinary Shares, Conditional Placing of 2,630,000 New Ordinary Shares and Open Offer of up to 34,147,170 New Ordinary Shares at 6 pence per share and Notice of General Meeting**

#### 1 Introduction

On 6 July 2015, Europa announced that it had conditionally raised £1.2 million by the issue of 20,000,000 New Ordinary Shares pursuant to the Firm Placing. The Company also announced that it proposed to raise a further £0.2 million by the issue of up to a further 2,630,000 New Ordinary Shares pursuant to the Conditional Placing and a further approximately £2.0 million by the issue of up to a further 34,147,170 New Ordinary Shares pursuant to the Open Offer, giving a total gross Fundraising of up to approximately £3.4 million.

The Fundraising has been undertaken to provide funding for Europa's near-term work programme and projects. In particular, the net proceeds of the Placings will be used to fund the Company's contribution to the expected startup costs of production at its new discovery, Wressle, to fund seismic acquisition activities on any licences awarded to Europa in the 14th UK onshore licensing round and for Europa's 15 per cent. equity share of the general and administration costs on its existing licences in the Porcupine Basin.

The Board is grateful for the continuing support received from all Shareholders, and accordingly wishes to offer Shareholders the opportunity to participate in the Fundraising by launching the Open Offer, whereby the Company proposes to issue up to 34,147,170 further New Ordinary Shares to Qualifying Shareholders at the Issue Price.

The Issue Price of 6 pence per New Ordinary Share represents a discount of 23.8 per cent. to the closing middle market price of 7.875 pence per Existing Ordinary Share on 3 July 2015, being the last Business Day before the announcement of the Fundraising.

Qualifying Shareholders may subscribe for Open Offer Shares on the basis of 1 Open Offer Share for every 6 Existing Ordinary Shares held on the Record Date. Shareholders subscribing for their full entitlement under the Open Offer may also request additional New Ordinary Shares as an Excess Entitlement, up to the total number of Open Offer Shares available to Qualifying Shareholders under the Open Offer. Further details on the background to and the reasons for the Fundraising are provided below, in paragraph 2 of this Part I.

The Firm Placing Shares have been allotted by the Board under existing share issuance authorities. Admission to trading on AIM of the Firm Placing Shares is expected to take place at 8.00 a.m. on 10 July 2015.

The Conditional Placing is conditional, amongst other things, on the passing of Resolution 1 by Shareholders at the General Meeting, notice of which is set out at Part V of this document.

The Open Offer is conditional on the Placing and Open Offer Agreement becoming unconditional save as to admission of the Open Offer Shares to trading on AIM. The Open Offer Shares will be allotted by the Board under existing authorities to issue New Ordinary Shares.

Admission of the Conditional Placing Shares and Open Offer Shares to trading on AIM is expected to occur no later than 8.00 a.m. on 24 July 2015 or such later time(s) and/or date(s) as finnCap and the Company may agree. Neither the Placings nor the Open Offer have been underwritten.

The purpose of this letter is to outline the reasons for, and to explain the terms of, the Fundraising, to explain why the Board considers the Fundraising to be in the best interests of the Company and Shareholders as a whole and to seek your approval to the Resolutions at the forthcoming General Meeting, to be held at the offices of finnCap Ltd, at 60 New Broad Street, London EC2M 1JJ on 23 July 2015 at 10.00 a.m. Certain Directors intend to participate in respect of their own beneficial holdings as set out in paragraph 5 of this Part I.

## **2 Background to and reasons for the Fundraising**

As a consequence of its achievements over the last 12 months, Europa has a requirement for additional funding. In Q3 2014 the Company discovered hydrocarbons with the Wressle exploration well in onshore UK. In Q1 2015 the Wressle exploration well flowed oil and gas during production testing operations and the Company is currently engaged in an extended well test of Wressle. Europa therefore has a requirement to raise additional funding to support its share of the capital expenditure expected to be required to take the Wressle discovery into production.

In addition, Europa is seeking to build upon its exploration position onshore UK and the Company has applied for three licences in the 14th UK onshore licensing round. The 14th round closed in October 2014 and it is anticipated that awards will be made in H2 2015. Europa therefore requires further funding for exploration expenditure on any 14th round awards made which may include seismic data acquisition and drilling preparation.

Europa has built strong technical expertise in the Porcupine Basin, offshore Ireland, and has recently released information from a CPR completed by ERCE on Irish Atlantic Margin Licence FEL 3/13. The CPR details total gross un-risked mean Prospective Resources of approximately 1.49 bboe on FEL 3/13 and 224 mmboe to Europa on a net basis. Europa also commissioned ERCE to complete an independent assessment of its interests in FEL 3/13. The results of the study estimate a mean Un-risked NPV of approximately US\$1.6 billion to Europa's 15 per cent. net interest in three prospects; Wilde, Beckett and Shaw in FEL 3/13, and a mean risked NPV of US\$251 million to Europa's 15 per cent. net interest in the three prospects. Europa is seeking to build its position offshore Ireland and will apply for multiple licences in the 2015 Atlantic Margin Licensing Round that closes in September 2015. The Fundraising will therefore strengthen the Company's balance sheet and enhance the financial capability component of Europa's applications.

## **3 Background to the Company and its 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 from six producing wells across the three oilfields for the last financial year to 31 July 2014 was 165 boepd. Since that date, five of the wells have continued to produce in line with expectations, but the lowest producer of the six, WF9 has been shut-in and requires a recompletion. WF9 was producing around 8 bopd, and at this year's lower oil prices, the Directors concluded it would not be economic to undertake a recompletion of WF9, which as a result will remain shut-in for the foreseeable future. The Directors will reconsider this course of action should the oil price recover to a level at which the recompletion of WF9 would become economic.

Production from Europa's existing producing assets is in decline and, other than initiatives to reduce costs and downtime, there is limited scope to arrest this decline. The Company is seeking to increase production by drilling exploration wells and converting discoveries into production as quickly as possible. One example of this is the Wressle oil discovery. Wressle was drilled in Q3 2014 and discovered hydrocarbons. Wressle was production tested in Q1 2015 and flowed oil and gas. An EWT is currently ongoing and subject to satisfactory outcome from the EWT and obtaining relevant permissions it is hoped to have this discovery on production in H1 2016.

Average production of 144 boepd was achieved for the six month period ending 31 January 2015.

### *Exploration*

#### *PEDL180 (Wressle)*

PEDL180 covers an area of 100 km<sup>2</sup> of the East Midlands Petroleum Province close to 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 acquisition covering PEDL180 and PEDL182 was acquired in the first quarter of 2012 and has been processed and interpreted. Pre-drill the operator estimated the Wressle prospect to hold mean gross un-risked prospective resources of 2.1 mmbo. The estimate of post-drill resources will be evaluated and a Competent Persons Report issued following completion of the 60 day EWT that commenced on 17 June and completion of seismic reprocessing of the Wressle 3D volume and subsequent remapping of the Crosby Warren – Wressle trend and Wressle prospect.

The Wressle exploration discovery well was spudded in July 2014 and discovered hydrocarbons in four discrete intervals:

- the Ashover Grit – 80 bopd and 47 thousand cubic feet of gas per day ('mcf/d') free flow;
- the Wingfield Flags – up to 182 bopd and 456 mcf/d free flow;
- Zone 3 of the Penistone Flags – up to 12 bopd and 1,700 mcf/d gas free flow; and
- Zone 3a of the Penistone Flags – 77 bopd, swabbed.

A total of 710 boepd was therefore recovered during testing operations. A two month EWT was commenced on 17 June 2015 to obtain more detailed and insightful information about reservoir performance. This information will be used to design an optimum FDP and enable a fast track development. Any oil produced by the EWT will be sold. DECC approval of the FDP is also required before long term production operations can take place.

Europa believes there is further exploration and appraisal upside along the Crosby Warren (Europa producing field) to Wressle structural trend and will be working to investigate these opportunities further; see the information concerning Crosby Warren below for further details.

#### *PEDL181 (Kiln Lane)*

Europa is operator of and has a 50 per cent working interest in PEDL181, which covers an area of over 540 km<sup>2</sup> in the East Midlands Petroleum Province. Egdon Resources and Celtique Energie Petroleum Ltd each have a 25 per cent. interest in the licence. The Kiln Lane well spudded on 23 February 2015 and reached a TD of 2,291 metres on 19 March 2015. Sandstones in the Westphalian and Namurian intervals were penetrated in line with the pre-drill geological model and significant oil and gas shows were observed during drilling operations. However, wireline logging and subsequent petrophysical analysis indicates that the sandstones encountered were water wet. Europa and its partners will conduct a detailed post-drill technical review of all relevant well and seismic data to determine the way forward with this exploration licence.

#### *PEDL182 (Broughton)*

PEDL182 is an area of 40 km<sup>2</sup> to the north of PEDL180. Europa has a 33.3 per cent. working interest in the block with its partners Egdon Resources (33.3 per cent. and operator), 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. Following the success at Wressle, the Board and its partners are considering further prospectivity along the Crosby Warren – Wressle trend.

#### *Crosby Warren*

The Crosby Warren field is c.5km to the northwest of Wressle and is considered part of the same structural trend. The Crosby Warren field has been producing oil since 1987. Production on startup at Crosby Warren was 500 bopd and it continues today at around 30 bopd. Crosby Warren produces from a similar stratigraphic level to the Ashover Grit at Wressle and the oil properties are similar. Europa and its co-venturers have identified further potential drilling opportunities on the trend including a new prospect at Broughton North and a redrill at Broughton. The partnership have elected to reprocess the existing Wressle 3D acquired in 2012 with the intent of improve the bandwidth of the final processed data volume to allow better resolution of the geometry of relatively thin sandy reservoir units within these prospects and the Wressle discovery itself. Europa owns 100 per cent. of the Crosby Warren field and licence area and is reviewing opportunities for additional production drilling. There are other drilling opportunities outside the areas currently under licence to Europa.

#### *PEDL143 (Holmwood)*

Europa considers Holmwood to be one of the most exciting undrilled exploration prospects in the UK.

The planning inquiry for the Holmwood well took place in April 2015 and it is expected that the planning inspector's decision will be announced on or before 7 August 2015. A successful outcome would result in drilling the Holmwood exploration well, subject to funding, with 2016/17 being the most realistic timing for this activity.

A new discovery has recently been reported by UK Oil & Gas Investments PLC in the adjacent PEDL137 following analysis of the Horse Hill-1 exploration well drilled in 2014. In an RNS dated 9 April 2015 a new play identified by the Horse Hill-1 well was reported: the "Jurassic hybrid play". Given the immediate proximity of Europa's 92 km<sup>2</sup> PEDL143, the potential for this new play to extend into Europa's licence area will be evaluated. The focus of the Company remains on obtaining a favourable outcome at the planning inquiry and drilling the conventional oil exploration well at Holmwood.

#### *14th UK onshore licensing round*

Europa has bid for licences in the 14th UK onshore licensing round. The round closed in October 2014. No timetable for awards has been indicated by the Oil and Gas Authority, however, it is hoped that awards will be made in H2 2015. Europa has bid for three licences, each in a joint venture group and is seeking to exploit the technical, commercial and operational expertise it has gained through its exploration and production activities over the last three years.

## Ireland

### Exploration

The Board continues to be particularly excited by the potential of the two FELs in the South Porcupine Basin offshore southwest Ireland. Europa holds a 15 per cent. interest in each of FEL 2/13 and FEL 3/13, with the operator Kosmos holding the remaining 85 per cent.

Under the terms of the April 2013 farm out agreements, Kosmos fully funded the costs of a 3D seismic acquisition programme over both FELs which was completed in October 2013. Final processed data was delivered in May 2014 and in early December 2014 Kosmos delivered a new prospect inventory.

Should Kosmos elect to drill on either licence, Kosmos will pay 100 per cent. of the costs of the first exploration well on each licence subject to caps of US\$90 million in FEL 2/13 and US\$110 million in FEL 3/13. Europa must pay its equity share of the general and administrative costs but, under the terms of the farm out agreements, these costs are capped at US\$450,000 on each licence.

The Board believes that the earliest date for a first exploration well on either prospect would be 2017. Kosmos has also confirmed that it will seek to farm down some of its interest in the licences. Summaries of the farm out agreements and joint operating agreements relating to the licences are set out in paragraphs 6.1 to 6.4 (inclusive) of Part IV of this document.

### FEL 3/13

In the prospect inventory for FEL 3/13, Kosmos identified two prospects named Beckett and Wilde, and one lead, Shaw. The new prospects were assigned gross mean unrisked prospective resources of 493 mmbo for Wilde and 760 mmbo for Beckett. These prospects and leads replaced the Kiernan prospect previously identified by Europa (see announcement dated 16 January 2013).

Europa undertook its own independent mapping over the licence in Q1 2015 and this was the basis for a Competent Persons Report completed by ERCE over FEL 3/13 and from which a summary was released in an RNS dated 12 May 2015. The CPR detailed total gross unrisked mean prospective resources of 1.49 bboe.

- Net 224 mmboe to Europa
- The CPR upgraded Shaw, from a lead, into a prospect with gross mean unrisked prospective resources of 315 mmboe

Prospect	Gross Unrisked Prospective Resources (mmboe*)			Geological chance of success	
	Low	Best	High	Mean	
Wilde	61	239	952	428	19%
Beckett	109	424	1,661	749	15%
Shaw	57	198	681	315	13%
Deterministic total	227	861	3,293	1,492	

\*million barrels of oil equivalent prospective resources are recoverable. The hydrocarbon system is considered an oil play and “mmboe” is used to take account of associated gas. However, due to the significant uncertainties in the available geological information, there is a possibility of gas charge.

ERC followed up on this work with an independent assessment of NPV and a summary was released to the market on 16 June 2015. See summary table below:

Prospect	Gross Oil and Gas Unrisked Prospective Resources (MMboe)			Net Unrisked NPV10 (US\$ Million)			Chance of Success (%)	Net Risked NPV (US\$ Million) Mean
	Low	Best	High	Low	Best	High		
Wilde	61	239	952	(10)	109	1,227	408	19 78
Beckett	109	424	1,661	(10)	400	2,366	867	15 130
Shaw	57	198	681	(10)	110	970	332	13 43

The assessment indicated that Europa's 15 per cent. equity in FEL 3/13 has a net mean un-risked NPV10 of US\$1.6 billion, and a risked NPV10 of US\$251 million.

Europa has identified both a prospect and shotpoint location for what would be a play-opening first well in FEL 3/13 – Europa will review this with the operator. Europa considers these prospects to be at drillable prospect status and we will update the market when Kosmos provides more clarity with respect to drilling plans.

#### *FEL 2/13*

In December 2014, Europa announced the receipt of a prospect inventory from Kosmos. The inventory was based on the 3D seismic acquired in 2013 and included the identification of new, large prospects and leads. Two new prospects: Doyle A and Doyle B, were identified, with gross mean unrisked prospective resources of:

- 123 mmbo for Doyle A
- 69 mmbo for Doyle B

These new prospects replaced the Mullen prospect previously identified by Europa.

During the course of its independent mapping of FEL 2/13 Europa identified additional new prospects and leads at different stratigraphic levels to those identified by Kosmos. Europa is consulting with the operator regarding technical work to advance these prospects to a point where they can be included in a complete CPR for FEL 2/13. Further announcements will be made in due course.

#### *Atlantic Margin Licensing Round*

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 participates in the ongoing Irish licensing round, which is expected to close on 16 September 2015. The CPR provides a strong endorsement to the Board's long held view that the Porcupine Basin has the potential to become a major new North Atlantic hydrocarbon province.

### ***France***

#### *Exploration*

Europa holds a 100 per cent. interest in the Béarn des Gaves ('Béarn') permit and a 20 per cent. interest in the Tarbes Val d'Adour ('Tarbes') permit. Both permits are located onshore in the Aquitaine basin, the heartland of the French oil industry.

#### *Tarbes Val d'Adour*

Tarbes contains several oil accumulations that were previously licensed by Elf but were abandoned due to a combination of technical issues and low oil prices. Two fields, Jacque and Osmets, were drilled using vertical wells which generated modest production levels. In January 2015, Europa signed a farm out agreement for Tarbes with Vermilion REP SAS, a group company of Vermilion Energy Inc ('Vermilion') a Calgary, Alberta based international oil and gas producer.

Under the terms of the farm out agreement, Vermilion is to acquire an 80 per cent. interest in, and operatorship of, Tarbes in exchange for assuming 100 per cent of the cost of a work programme, which may include seismic acquisition or reprocessing and drilling operations up to a total of €4.65 million. Europa will hold the remaining 20 per cent. interest and, once costs above €4.65 million are incurred, Europa will be responsible for its 20 per cent. share of future work programme costs. The farm out agreement is subject to the relevant approvals being granted by the French authorities including the transfer of equity and operatorship to Vermilion and also obtaining an extension for the permit. Both these processes are underway.

#### *Béarn des Gaves*

The Béarn permit contains two prospects: Berenx Deep and Berenx Shallow.

Berenx Deep is an appraisal project having previously been explored and drilled by ESSO REP 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 107 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*):

	Berenx Deep		Berenx Shallow	
	Gross	Net to EOG*	Gross	Net to EOG**
	bcf	bcf	bcf	bcf
P90	242	97	64	32
P50	475	190	103	51
P10	859	344	152	76
Mean	524	210	107	53

\* 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 2016. The Board continues to contemplate a farm-out of both Berenx Deep and Berenx Shallow assets.

#### 4 Details of the Fundraising and use of proceeds

The Company is proposing to raise up to approximately £3.4 million (before expenses) pursuant to the Firm Placing, the Conditional Placing and the Open Offer at the Issue Price of 6 pence per New Ordinary Share. The Issue Price of 6 pence per New Ordinary Share represents a 23.8 per cent. discount to the closing price of an Ordinary Share of 7.875 pence on 3 July 2015 (being the latest practicable date prior to the announcement of the Fundraising).

In setting the Issue Price, the Directors have considered the price at which the New Ordinary Shares need to be offered to investors to ensure the success of the Fundraising and have held discussions with a number of key institutional investors who have agreed to subscribe for the New Ordinary Shares at that price. In structuring the Fundraising, the Directors have had regard, among other things, to the current market conditions, the level of the Company's share price and the importance of pre-emption rights to Shareholders. After considering these factors, the Directors have concluded that the Firm Placing, Conditional Placing and the Open Offer is the most suitable option available to the Company and its Shareholders. The Open Offer component of the Fundraising provides an opportunity for all Qualifying Shareholders to participate by subscribing for Open Offer Shares *pro rata* to their current holding of Ordinary Shares and to have the opportunity to request Ordinary Shares in excess of their pro-rata holding by making an Excess Application.

Pursuant to the Firm Placing, 20,000,000 New Ordinary Shares have been issued to investors at the Issue Price. 2,630,000 New Ordinary Shares have been conditionally placed pursuant to the Conditional Placing with certain institutional investors, including existing Shareholders, subject to the passing of Resolution 1 at the General Meeting.

The Firm Placing and the Conditional Placing are to be effected pursuant to a Placing Agreement and a Placing and Open Offer Agreement, respectively, further details of which can be found in paragraphs 6.7 and 6.8 of Part IV (*Additional Information*) of this document, respectively.

<i>Use of Proceeds of Firm Placing and Conditional Placing</i>	<i>£ million</i>
Wressle production capex	0.5
14th round seismic acquisition	0.5
Ireland general and administration costs	0.35
Total	1.35

It is anticipated that £0.5 million of the proceeds of the Placings will be required for capital expenditure in support of Wressle production operations. Europa has bid for 3 licences in the 14th UK onshore licensing round and in all success cases will require to initiate seismic acquisition activities, and hence it is anticipated that £0.5m of the proceeds of the Placings will be used for seismic data acquisition on any awards made in the 14th UK onshore licensing round. Whilst Europa was carried on seismic acquisition and will be carried on any drilling costs, its Irish Atlantic Margin licences in the Porcupine Basin require some funding and hence approximately £0.35 million of the proceeds of the Placings will be used for Europa's 15 per cent. equity share of general and administration costs on its Irish Atlantic Margin licences.

The net proceeds of the Open Offer will provide further funding for the Company's work programme, as well as additional funds for progressing a range of other projects and activities. In particular, the net proceeds of the Open Offer will be used for further exploration expenditure in support of 14th UK onshore licensing round awards, Ireland Atlantic Margin licensing round awards and there are also a number of drilling candidates on existing licences for which funds may be used in support of drilling preparation and operations.

The Board believes that the net proceeds of the Fundraising will be sufficient to meet the Group's near-term work programme and working capital requirements.

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

#### *Principal terms of the Open Offer*

The Board is offering Qualifying Shareholders the opportunity to subscribe for Open Offer Shares on a pre-emptive basis by launching the Open Offer to issue up to 34,147,170 Open Offer Shares to Qualifying Shareholders at the Issue Price.

The Open Offer is conditional on, *inter alia*:

- (a) the Placing and Open Offer Agreement having become unconditional (save only for any condition relating to Second Admission); and
- (b) Second Admission becoming effective by no later than 8.00 a.m. on 24 July 2015 or such later time and/or date (being no later than 5.00 p.m. on 15 August 2015) as finnCap and the Company may agree.

Qualifying Shareholders may subscribe for Open Offer Shares in proportion to their holding of Existing Ordinary Shares held on the Record Date. Shareholders subscribing for their full entitlement under the Open Offer may also request additional Open Offer Shares as an Excess Entitlement, up to the total number of Open Offer Shares available to Qualifying Shareholders under the Open Offer.

#### *Basic Entitlement*

On, and subject to the terms and conditions of the Open Offer, the Company invites Qualifying Shareholders to apply for their Basic Entitlement of Open Offer Shares at the Issue Price. Each Qualifying Shareholder's Basic Entitlement has been calculated on the following basis:

#### **1 Open Offer Share for every 6 Existing Ordinary Shares held at the Record Date**

held at the Record Date. Basic Entitlements will be rounded down to the nearest whole number of Ordinary Shares.

### *Excess Entitlement*

Qualifying Shareholders are also invited to apply for additional Open Offer Shares (up to the total number of Open Offer Shares available to Qualifying Shareholders under the Open Offer) as an Excess Entitlement. Any Open Offer Shares not issued to a Qualifying Shareholder pursuant to their Basic Entitlement will be apportioned between those Qualifying Shareholders who have applied for an Excess Entitlement at the sole discretion of the Board, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Shares than he or she has specified on the Application Form or through CREST.

### *Overseas Shareholders*

The Open Offer Shares have not been and are not intended to be registered or qualified for sale in any jurisdiction other than the United Kingdom and the Qualifying Overseas Jurisdictions. Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Existing Shareholders with registered addresses in any jurisdiction other than the United Kingdom or the Qualifying Overseas Jurisdictions since to do so would require compliance with the relevant securities laws of that jurisdiction. The Company reserves the right to treat as invalid any application or purported application for Open Offer Shares which appears to the Company or its agents or professional advisers to have been executed, effected or despatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents or professional advisers believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of share certificates for Open Offer Shares, or in the case of a credit of Open Offer Shares in CREST, to a CREST member whose registered address would be not be in the UK or one of the Qualifying Overseas Jurisdiction.

Notwithstanding the foregoing and any other provision of this document or the Application Form, the Company reserves the right to permit any Qualifying Shareholder to apply for Open Offer Shares if the Company, in their sole and absolute discretion, are satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Part III of this document together with the accompanying Application Form, in the case of Qualifying Non-CREST Shareholders, contains the terms and conditions of the Open Offer.

If a Qualifying Shareholder does not wish to apply for Open Offer Shares he should not complete or return the Application Form or send a USE message through CREST.

## **5 Directors' shareholdings**

Certain Directors, being Hugh Mackay, Phil Greenhalgh, Colin Bousfield and Roderick Corrie, have undertaken to make applications to participate in the Open Offer and will make applications to subscribe for, in aggregate 449,332 Open Offer Shares, as detailed in the table below:

Director	As at the date of this Document		As at Second Admission		
	Number of Ordinary Shares held	Number of Open Offer Shares to be subscribed for	Number of Ordinary Shares*	per cent. of Enlarged Share Capital**	
			Number of Ordinary Shares		
Hugh Mackay	2,340,883	166,666	2,507,549	0.96	
Phil Greenhalgh	437,640	83,333***	520,973	0.20	
Colin Bousfield	190,625	83,333***	273,958	0.10	
Roderick Corrie	425,820	116,000***	541,820	0.21	

\* Assuming the application for Open Offer Shares is satisfied in full

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

\*\*\* Includes Ordinary Shares to be applied for under the Excess Entitlement facility

## **6 EIS/VCT Schemes**

The Company has received confirmation of advance assurance from HMRC (dated 20 March 2015) that the Placing Shares and the Open Offer Shares are expected to constitute a qualifying holding for VCT Schemes, and should also satisfy the requirements for tax relief under the EIS. The Company has previously applied for, and received, confirmation qualifying status under VCT Schemes and the EIS, the most recent being in respect of the Ordinary Shares issued following the open offer which closed on 17 January 2014. Shareholders should be mindful that EIS and VCT qualification rules are subject to change and no guarantees or assurance can be given in this regard.

## **7 Risk Factors and additional information**

The attention of Shareholders is drawn to the risk factors set out in Part II and the information contained in Parts III and IV of this document, which provide additional information on the Open Offer and the Company.

## **8 General Meeting**

The Board is seeking the approval of Shareholders at the General Meeting to allot the Conditional Placing Shares.

A notice convening the General Meeting, which is to be held at the offices of finnCap Ltd, at 60 New Broad Street, London EC2M 1JJ at 10.00 a.m. on 23 July 2015, is set out at the end of this document. At the General Meeting, the following Resolutions will be proposed:

1. a special resolution to authorise the directors to allot Ordinary Shares and to disapply pre-emption rights in respect of the Ordinary Shares in connection with the Conditional Placing; and
2. a special resolution to give the directors the authority to allot New Ordinary Shares for cash without first offering them to existing shareholders in proportion to their existing shareholdings. This authority would be limited to an aggregate maximum nominal amount of £227,513.02 (representing 22,751,302 Ordinary Shares). This amount is intended to give the usual on-going authority to the Board to disapply the statutory rights of pre-emption by reference to the share capital of the Company as enlarged by the Firm Placing Shares and Conditional Placing Shares and will represent approximately 10 per cent. of the share capital so enlarged.

The authorities to be granted pursuant to the Resolutions shall expire on whichever is the earlier of the conclusion of the next annual general meeting of the Company or the date falling 12 months from the date of the passing of the Resolutions (unless renewed, varied or revoked by the Company prior to or on that date).

## **9 Action to be taken**

### ***General Meeting***

You will find enclosed with this document a Form of Proxy for use by Shareholders at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon. To be valid, completed Forms of Proxy must be received by Computershare Investor Services PLC at Corporate Actions Projects, Bristol, BS99 6AH as soon as possible and in any event not later than 10.00 a.m. on 21 July 2015, being 48 hours before the time appointed for holding the General Meeting. Completion of a Form of Proxy will not preclude you from attending the meeting and voting in person if you so choose.

### ***Open Offer***

Qualifying non-CREST Shareholders wishing to apply for Offer Shares or the Excess Shares must complete the enclosed Application Form in accordance with the instructions set out in paragraph 4 of Part III (*Terms and Conditions of the Open Offer*) of this document and on the accompanying Application Form and return it with the appropriate payment to Computershare Investor Services PLC at Corporate Actions Projects, Bristol, BS99 6AH, so as to arrive no later than 11.00 a.m. on 22 July 2015.

If you do not wish to apply for any Offer Shares under the Open Offer, you should not complete or return the Application Form. Shareholders are nevertheless requested to complete and return the Form of Proxy.

If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. Qualifying CREST Shareholders will have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST. You should refer to the procedure for application set out in paragraph 4 of Part III (*Terms and Conditions of the Open Offer*) of this document. The relevant CREST instructions must have settled in accordance with the instructions in paragraph 4 of Part III of this document by no later than 11.00 a.m. on 22 July 2015.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

## **10 Recommendation**

**The Directors believe that the Conditional Placing and the passing of the Resolutions are in the best interests of the Company and Shareholders, taken as a whole. Accordingly the Directors unanimously recommend Shareholders to vote in favour of the Resolutions, as they will do in respect of their Ordinary Shares in the Company, representing 14 per cent. of the Existing Ordinary Shares.**

**The Conditional Placing is conditional, *inter alia*, upon the passing of Resolution 1 at the General Meeting. Shareholders should be aware that if Resolution 1 is not approved at the General Meeting, the Conditional Placing will not proceed.**

Yours faithfully

Colin Bousfield  
*Chairman*

## PART II

### RISK FACTORS

**ALL THE INFORMATION SET OUT IN THIS DOCUMENT SHOULD BE CAREFULLY CONSIDERED, IN PARTICULAR THE ATTENTION OF PROSPECTIVE INVESTORS AND SHAREHOLDERS IS DRAWN TO THE RISKS DESCRIBED BELOW. THE ORDINARY SHARES SHOULD BE REGARDED AS A SPECULATIVE INVESTMENT AND AN INVESTMENT IN ORDINARY SHARES SHOULD ONLY BE MADE BY THOSE WITH THE NECESSARY EXPERTISE TO FULLY EVALUATE THE INVESTMENT. INVESTMENTS MAY FALL AS WELL AS RISE IN VALUE. THE DIRECTORS BELIEVE THAT THE FOLLOWING RISKS SHOULD BE CONSIDERED CAREFULLY BY INVESTORS BEFORE ACQUIRING ORDINARY SHARES. PROSPECTIVE INVESTORS ARE ADVISED TO CONSULT AN INDEPENDENT ADVISER AUTHORISED UNDER FSMA.**

If any of the following risks actually materialise, the Company's business, financial condition, and prospects could be materially and adversely affected to the detriment of the Company and its Shareholders. In that case, the market price and liquidity of Ordinary Shares could decline and all or part of an investment in the Ordinary Shares could be lost.

The Directors consider the following risks to be material, but the risks listed do not necessarily comprise all those associated with an investment in the Company and the Ordinary Shares. There may be additional risks that the Directors do not currently consider to be material or of which the Directors are not currently aware. No inference ought to be drawn as to the relative importance, or the likelihood of the occurrence, of any of the following risks by reference to the order in which they appear.

Investors should also take their own tax advice as to the consequences of owning Ordinary Shares in the Company as well as receiving returns from it. No representation or warranty, express or implied, is given to investors as to the tax consequences of their acquiring, owning or disposing of any Ordinary Shares in the Company and neither the Company, the Directors nor finnCap will be responsible for any tax consequences for any such investors.

Save where the context requires otherwise, references in this Part II to "the Company" shall be deemed to include references to the Group as a whole.

#### **Risks specific to the Company and its business**

##### ***Exploration risks***

All drilling to establish productive hydrocarbon reserves is inherently speculative. The techniques presently available to geophysicists, geologists, petro-physicists, reservoir and petroleum engineers, and other technical specialists to identify the existence and location of accumulations of hydrocarbons are indirect and subject to a wide variety of variables which are subjective in nature with respect to the environment in which they exist and are not precise on their application, and therefore, a considerable amount of personal judgment is involved in the selection of any prospect for drilling or identifying potentially profitable producing hydrocarbon accumulation. In addition, even when drilling successfully and a well is completed as a producing gas well, unforeseeable operating problems may arise which render it uneconomical to produce such gas.

Whilst the Company is extremely encouraged by the prospectivity of its Irish licences (and the Directors consider the farm-in of Kosmos to be a helpful endorsement), exploration is at an early stage and whilst the prospect inventory delivered following interpretation of the 2013 3D seismic and completion of the CPR on prospective resources and independent assessment of NPV does meet commercial criteria abject geological risk remains and it is possible that discretionary exploration drilling may not be conducted by Kosmos.

### ***Project development and production risks***

If the Company achieves exploration success in relation to its exploration assets that leads to a decision to develop production operation, the development and ongoing production from such operations may be adversely affected by various factors including the following, which also apply to the Company's producing assets: failure to achieve predicted production flow rates, mechanical failure or plant breakdown; unanticipated reservoir problems, unforeseen capital expenditure, adverse weather conditions, industrial and environmental accidents, industrial disputes, delays due to government actions, infrastructure availability and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

### ***Operational risks***

The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including geological, geotechnical and seismic factors, environmental hazards, industrial accidents, occupational and health hazards, technical failures, labour disputes, unusual or unexpected rock formations, well blow-outs, explosions, flooding and extended interruptions due to inclement or hazardous weather conditions and other acts of God. These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. No assurance can be given that the Company will be able to obtain insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

The occurrence of any of these hazards can delay activities of the Company and may result in liability. The Company may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past activities for which it was not responsible.

In addition, the risk of the temporary or permanent loss of one of the Company's major customers would present operational issues that may have an impact on revenue and cashflow as the Company would need to put in place operating and logistical arrangements with alternative customers.

### ***Reserve and resource estimates***

The estimation of hydrocarbon resources and reserves is in part an interpretative process and the accuracy of any such estimates is a function of the quality of available data, and of engineering and geological interpretation and judgement, and thus may prove inaccurate. This may result in alterations to development and production plans which may, in turn, adversely affect operations. No assurances can be given that the volume and quality of reserves recovered, and rates of production achieved, will not be less than anticipated or will fluctuate over time. The Company prepares resource and reserve estimates and takes decisions, based on its own employee's professional judgements and experience. In addition, the Company periodically contracts the services of independent professional experts to prepare resource and reserve estimates and in 2012 did so in relation to its assets at West Firsby, Crosby Warren, Whisby, Broughton, Wressle, Holmwood and Berenx Deep. In 2015 it did so in relation to its exploration assets in FEL 3/13.

### ***Political risk***

Political risk is the risk that assets will be lost through expropriation, unrest or war. Europa seeks to minimise political risk by operating in countries with relatively stable political systems, established fiscal and mining codes and a respect for the rule of law but there can be no guarantee that the Company will not be adversely affected by political risk.

### ***Permits and other authorisations and/or such concessions, rights, licences, permits and other authorisations may be suspended, terminated or revoked prior to their expiration***

The Company conducts its operations pursuant to concessions, licences, permits and other authorisations and through contracts with its joint venture partners. Any delay in obtaining or renewing a licence, permit or other authorisation may result in a delay in investment or development of resources and may have a material adverse effect on the Company's results of operations, cash flows and financial condition, as would any failure to obtain the renewal or extension of a licence.

In addition, any of the Company's existing and future mineral rights and concessions, licences, permits and other authorisations may be suspended, terminated or revoked if the Company fails to comply with the relevant requirements. If the Company fails to fulfil the specific terms of any of its existing or future rights, concessions, licences, permits and other authorisations or if it operates its business in a manner that violates applicable law, government regulators may impose fines or suspend or terminate the relevant right, concession, licence, permit or other authorisation, any of which could have a material adverse effect on the Company's results of operations, cash flows and financial condition.

#### ***Increasing Competitiveness of Alternative Energy Sources***

The increasing competitiveness of alternative energy sources, including solar and wind power, may lead to reduced demand for oil and gas in the medium-to-long term, and therefore, the Company's production. Without the benefit of government subsidies or mandates, alternative energy sources have generally not been competitive with oil and gas. However, changes in technology and consumer preferences have begun to alter fuel choices, an example being the growing popularity of alternatively fuelled vehicles.

Furthermore, alternative energy sources have been increasingly competitive due to governmental support in the forms of tax relief and subsidies for alternative energy providers, the adoption of cap and trade regimes, carbon taxes, increased efficiency standards and incentives or mandates for renewable energy. Governments are also promoting research into new technologies to reduce the cost and increase the scalability of alternative energy sources. These measures could reduce demand for oil and gas in the medium-to-long term, thereby reducing demand for the Company's production.

#### ***Reliance on Key Personnel***

The Company's success, in part, depends upon the continued performance, efforts, abilities and expertise of its key management personnel as well as other management and technical personnel including those employed or to be employed on a contractual basis. The loss of the services of certain of these personnel could have a material adverse effect on the financial position, financial performance, cash flows, growth prospects, ability to pay dividends and the share price of the Company.

#### ***Insurance Risks***

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance against all risks associated with gas exploration and production is not always available and, where available, the costs can be prohibitive.

***The Company is exposed to financial and operational risks inherent in joint operating projects. A failure by any of the Company's joint operating partners to meet its obligations may materially and adversely affect the Company's business, cash flow, financial condition and operations and may, in particular, adversely affect the implementation of the Company's development plans***

The Company and/or its subsidiary is party to joint operating agreements in relation to the assets in FEL 2/13, FEL 3/13, Tarbes, PEDL143 (Holmwood), PEDL180 (Wressle), PEDL181 and PEDL182. A subsidiary of the Company is also party to an agreement in relation to the asset at Whisby. A subsidiary of the Company is party to joint bid agreements in relation to its 14th UK onshore licensing round applications.

The agreements referred to above contain provisions relating to the sharing of costs and obligations of the parties. If any joint venture partner defaulted in meeting its obligations or does not pay its proportion of such costs, the Company may be required to meet such costs itself, which may materially and adversely affect the Company's business, cash flow, financial condition and operations and may, in particular, adversely affect the execution of the Company's development plan summarised in Part I of this document.

### ***Title to licence areas***

While the Company has undertaken all the customary due diligence in the verification of title to its licences and real estate, this should not be construed as a guarantee of title. The licences and real estate may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

There is also the risk that the Company will not obtain the necessary planning and other local authority consents to its onshore activities. In particular, a decision of the planning inspector in respect of the Holmwood planning inquiry which was heard in April 2015, is awaited.

### ***Contractual disputes and litigation risk***

The Company is exposed to possible litigation risks including contractual and property/planning disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation.

Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. Information about any dispute that comes into the public domain could cause reputational damage to the Company.

### ***Environmental protection***

The Company's exploration, development and production activities are subject to extensive laws and regulations governing environmental impact and protection. The Company is also subject to various reclamation-related requirements. A failure to comply with environmental laws and regulations (including as a result of technical failures) may result in enforcement actions causing operations to cease or be curtailed, the imposition of fines and penalties, and may include corrective measures requiring significant capital expenditures. In addition, certain types of operations require the submission and approval of environmental impact assessments.

### ***Compliance risk***

In common with all companies and employers, the Company and its directors are subject to the risk of liability for fines and imprisonment for applicable legislation and regulations including breaches of health & safety, employment, anti-corruption, environmental and taxation legislation.

### ***Commodity risk***

Commodity risk is the risk that the price earned for oil and gas will fall to a point where it becomes uneconomic to extract them from the ground. The commodities in Europa's portfolio are oil and gas. The price of oil and gas are affected by numerous factors totally beyond the control of the Company, including producer hedging activities, demand, political and economic conditions and production levels. Future commodity prices may go down as well as up.

### ***Liquidity risk***

Liquidity risk is the risk of running out of working and investment capital. Europa's goal is to finance its exploration activities with cash flow from operations, but in the absence of such cash flow, the Company relies on the issue of equity share capital, joint venture, farm-out and option agreements to finance its activities. There can be no assurance that adequate funding will be available when required to finance the Company's activities, nor that the estimated costs of the Company's activities will not be exceeded. Whilst the Company is applying process rigour to the farm-out process relating to Berenx Shallow, there can be no assurance that the Company will be able to successfully farm-out financing obligations in respect of this asset.

### ***Currency risk***

Fluctuations in currency exchange risks can significantly impact cash flows. The Company finances its overseas operations by transferring pounds sterling from the UK to meet local expenses in France and Ireland.

Because the primary market for the Ordinary Shares and the underlying business of the Company are in a currency other than Euro, investors from countries whose currency is the Euro are reminded that changes in exchange rates may also have an adverse effect on the value, price or income of the Ordinary Shares.

#### ***Market risk***

The availability of a ready market for oil and hydrocarbon products which may be sold by the Company depends upon numerous factors beyond its control, the exact effects of which cannot be accurately predicted. These factors (the list of which is not exhaustive) include: general economic activity, the world oil price, the marketability of the hydrocarbons produced, action taken by other producing nations, the availability of transportation capacity, the availability and pricing of competitive fuels, and the extent of governmental regulation and taxation.

#### ***EIS/VCT status***

HMRC has previously provided advance assurance that the Ordinary Shares of the Company will qualify under the EIS and VCT Schemes, the most recent assurance being provided on 20 March 2015. Whilst the Directors intend, so far as possible, to conduct the activities of the Group in such a way as to allow it to maintain its status as a qualifying EIS/VCT investment, circumstances may arise where the Directors believe that the interests of the Company are not best served by acting in a way that preserves such status. In such circumstances, the Company cannot undertake to conduct its activities in a way designed to secure or preserve any such relief or status claimed by any Shareholder. Neither the Company nor the Directors give any warranties or undertakings that this status will not be withdrawn. Should the law regarding EIS and/or VCT treatment change, then any reliefs or qualifying status previously obtained may be lost.

#### ***Changes in legislation***

The Company's activities are subject to local laws and regulations governing exploration, development, production, exports, taxes, employment standards, environmental impact, occupational health and safety and other matters. Such laws and regulations are subject to change and can become more stringent, and compliance can therefore become more costly. The Company applies the expertise of its management, its advisors, its employees and contractors to ensure compliance with current laws.

### **Risks relating to the Company's Ordinary Shares**

#### ***Value of Ordinary Shares and liquidity***

It is likely that the Company's share price will fluctuate and may not always accurately reflect the underlying value of the Company's business and assets. The price of the Ordinary Shares may go down as well as up and investors may realise less than the original sum invested. The price that investors may realise for their holdings of Ordinary Shares, if and when they are able to do so, may be influenced by a large number of factors, some of which are specific to the Company and others of which are extraneous. Such factors may include the possibility that the market for the Ordinary Shares is less liquid than for other equity securities and that the price of the Ordinary Shares is relatively volatile.

The Directors are unable to predict when and if substantial numbers of Ordinary Shares will be sold in the open market. Any such sales, or the perception that such sales might occur, could result in a material adverse effect on the market price of the Ordinary Shares.

#### ***Suitability***

An investment in the Company involves a high degree of risk and may not be suitable for all investors. Investors are reminded that the price at which they may realise their Ordinary Shares and the timing of any disposal of them may be influenced by a large number of factors, some specific to the Company and its proposed operations, some which may affect the sector in which the Company operates and some which relate to the operation of financial markets generally. These factors could include the performance of the Company's operations, large purchases or sales of shares in the Company, liquidity or absence of liquidity in the Ordinary Shares, legislative or regulatory changes relating to the business of the Company and general economic conditions.

## **General risks**

### ***Financial markets and global economic outlook***

The performance of the Company will be influenced by global economic conditions and, in particular the conditions prevailing in the United Kingdom, France and Ireland. The global economy has experienced difficulties in recent years. If these levels of market disruption and volatility recur, the Company is likely to experience difficulty in securing debt finance, if required, to fund its long term development strategy. The Company may be exposed to increased counterparty risk as a result of business failures in the countries in which it operates and will continue to be exposed if counterparties fail or are unable to meet their obligations to the Company. The precise nature of all the risks and uncertainties the Company faces as a result of the global economic outlook cannot be predicted and many of these risks are outside of the Company's control.

### ***Changes in tax and other legislation***

The information in this document is based upon current tax and other legislation and any changes in legislation or in the levels and basis of, and reliefs from, taxation may affect the value of an investment in the Company. There can be no certainty that the current taxation regime in the UK, in France and in Ireland where the Company operates will remain in force or that the current levels of corporation taxation will remain unchanged. There can be no assurance that there will be no amendment to the existing taxation laws applicable to the Company's operations, which may have a material adverse effect on the financial position of the Company. Individual tax circumstances may differ from investor to investor and persons wanting to invest are advised to seek tax advice based upon their own circumstances.

### ***Additional capital requirements***

The Company may raise capital in the future through public or private equity financings or by raising debt securities convertible into Ordinary Shares, or rights to acquire these securities. Any such issues may exclude the pre-emption rights pertaining to the then outstanding shares. If the Company raises significant amounts of capital by these or other means, it could cause dilution for the Company's existing Shareholders. Moreover, a further issue of Ordinary Shares could have a negative impact on the trading price and increase the volatility of the market price of the Ordinary Shares. The Company may also issue further Ordinary Shares, or create further options over Ordinary Shares, as part of its employee remuneration policy, which could in aggregate create substantial dilution in the value of the Ordinary Shares and the proportion of the Company's share capital in which investors are interested.

### ***Admission to trading on AIM***

The Existing Ordinary Shares are, and the New Ordinary Shares will be, admitted to trading on AIM a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. The Ordinary Shares will not be admitted to the Official List. An investment in AIM quoted shares may carry a higher risk than an investment in shares quoted on the Official List.

The investment described in this document is speculative and may not be suitable for all recipients of this document. Potential investors are accordingly advised to consult a person authorised under FSMA who specialises in advising in investments of this kind before making any investment decisions. A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his/her personal circumstances and the financial resources available to him/her.

## PART III

### TERMS AND CONDITIONS OF THE OPEN OFFER

#### **1 Introduction**

As explained in the letter set out in Part I of this document, the Company hereby invites Qualifying Shareholders to apply, on and subject to the terms and conditions set out in this document and in the Application Form, and subject to the Articles of the Company, for Open Offer Shares at the Issue Price, free from all expenses, payable in cash in full on application. Qualifying Shareholders are being given the opportunity to subscribe for their Basic Entitlement at the Issue Price, payable in full on application and free of all expenses, *pro rata* to their existing shareholdings.

In addition to their Basic Entitlement, Qualifying Shareholders are invited to subscribe for additional Open Offer Shares, up to the total number of Open Offer Shares available to Qualifying Shareholders under the Open Offer, as an Excess Entitlement at the Issue Price, free from all expenses, payable in cash in full on application, as they may choose.

Any Open Offer Shares not issued to a Qualifying Shareholder pursuant to their Basic Entitlement will be apportioned between those Qualifying Shareholders who have applied for Excess Entitlements at the sole discretion of the Board, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Shares than he or she has specified on the Application Form or through CREST.

The Open Offer has been structured such that the maximum amount that can be raised by the Company under the Open Offer is approximately £2.0 million.

The Issue Price represents a discount of approximately 23.8 per cent. to the closing mid-market price of 7.875 pence per Existing Ordinary Share on 3 July 2015.

The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares and the Firm Placing Shares and Conditional Placing Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue. The allotment and issue of the Open Offer Shares will be made upon and be subject to the terms and conditions set out in this document and, in the case of Qualifying Non-CREST Shareholders, in the Application Form.

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Second Admission will become effective and that dealings in the Open Offer Shares will commence on AIM at 8.00 a.m. on 24 July 2015.

**If a Qualifying Shareholder does not wish to apply for Open Offer Shares he should not complete or return the Application Form.**

A maximum number of 34,147,170 Open Offer Shares will be offered to Qualifying Shareholders as part of the Open Offer. In no circumstances will more than this number of Ordinary Shares be issued pursuant to the Open Offer.

#### **2 Principal terms and conditions of the Open Offer**

Qualifying Shareholders are being given the opportunity to subscribe for their Basic Entitlement at the Issue Price payable in full on application and free of all expenses, *pro rata* to their existing shareholdings on the basis of:

##### **1 Open Offer Share for every 6 Existing Ordinary Shares**

held at the Record Date. Basic Entitlements will be rounded down to the nearest whole number of Ordinary Shares and fractional entitlements which would have otherwise arisen will not be issued.

Qualifying Shareholders are also invited to apply for additional Open Offer Shares as an Excess Entitlement, up to the total number of Open Offer Shares available under the Open Offer. Any Open Offer Shares not issued to a Qualifying Shareholder pursuant to their Basic Entitlement will be apportioned between those Qualifying Shareholders who have applied for Excess Entitlements at the sole discretion of the Board, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Shares than he or she has specified on the Application Form or through CREST.

Qualifying Shareholders may apply for, on and subject to the terms and conditions set out in this document and in the accompanying Application Form, any whole number of Open Offer Shares at the Issue Price.

Only Qualifying Shareholders will be eligible to make an application for Open Offer Shares. Overseas Shareholders should refer to paragraph 7 below.

**Qualifying Shareholders should be aware that the Open Offer is not a rights issue and the Application Form is not a negotiable document and cannot be traded. Applications for Open Offer Shares may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Open Offer Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up Open Offer Shares will have no rights under the Open Offer.**

### **3 Conditions and further terms of the Open Offer**

The Open Offer is conditional on, *inter alia*, the delivery by the Company to finnCap of a certificate confirming the accuracy of the representations and warranties contained in the Placing and Open Offer Agreement immediately prior to Second Admission and to Second Admission occurring by not later than 8.00 a.m. on 24 July 2015 or such later date as the Company and finnCap may agree, but in any event not later than 5.00 p.m. on 15 August 2015.

Accordingly, if these conditions are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable thereafter.

No temporary documents of title will be issued in respect of the Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form by 31 July 2015. In respect of those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST by as soon as possible on 24 July 2015.

All monies received by the Receiving Agent in respect of Open Offer Shares will be credited to a non-interest bearing account by the Receiving Agent.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

### **4 Procedure for Application and Payment**

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you have an Application Form in respect of the Open Offer or you have Open Offer Entitlements credited to your CREST stock account.

Qualifying Shareholders who hold all their Existing Ordinary Shares in certificated form will receive a personalised Application Form. The Application Form will show the number of Ordinary Shares held at the Record Date. It will also show Qualifying Shareholders their Basic Entitlement and the total number of Open Offer Shares available under their Open Offer Entitlement that can be allotted in certificated form.

Qualifying Shareholders who hold all their Existing Ordinary Shares in CREST will be allotted Open Offer Shares in CREST. Qualifying Shareholders who hold Existing Ordinary Shares partly in certificated and partly in uncertificated form will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4.1.2(f) of Part III of this document.

**Qualifying Shareholders who do not wish to apply for any Open Offer Shares under the Open Offer should not complete or return the Application Form or submit a USE message through CREST. Qualifying Shareholders who hold their Ordinary Shares through a nominee and who wish to apply for Open Offer Shares must contact their nominee as such Qualifying Shareholders will not be able to apply for Open Offer Shares directly using the Application Form.**

**4.1.1 *If you receive an Application Form in respect of your Open Offer Entitlements under the Open Offer***

**(a) General**

Subject as provided in paragraph 7 of this Part III in relation to Overseas Shareholders, Qualifying Non-CREST Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date. It also shows the number of Open Offer Shares for which you may apply pursuant to your Basic Entitlement (on an initial *pro rata* basis) as shown by the total number of Open Offer Shares allocated to you. You may apply for less than your initial *pro rata* entitlement should you wish to do so. You may also apply for additional Open Offer Shares by completing Boxes E and F on the Application Form relating to your Excess Entitlement.

Qualifying Non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim. If the total number of Open Offer Shares applied for by all Qualifying Shareholders exceeds 34,147,170, applications for Open Offer Shares will be scaled back at the discretion of the Directors. The instructions and other terms set out in the Application Form forms part of the terms of the Open Offer in relation to Qualifying Non-CREST Shareholders.

**(b) *Bona fide market claims***

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Ordinary Shares through the market prior to the Record Date. Application Forms may not be assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 20 July 2015. The Application Form will not be a negotiable document and will not be separately tradeable.

A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Ordinary Shares prior to the Record Date, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the transferee. Qualifying Non-CREST Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Boxes J and K on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however be forwarded to or transmitted to any territory outside the UK or one of the Qualifying Overseas Jurisdictions. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 4.1.2(b) below.

(c) *Application procedures*

Qualifying Non-CREST Shareholders wishing to apply to acquire Open Offer Shares should complete the Application Form in accordance with the instructions printed on it. If the total number of Open Offer Shares applied for by all Qualifying Shareholders exceeds 34,147,170, applications will be scaled back at the Directors' discretion.

Completed Application Forms should be posted in the pre-paid envelope accompanying the Application Form or returned by post or by hand (during normal business hours only) to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH or by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE (who will act as Receiving Agent in relation to the Open Offer) so as to be received by the Receiving Agent by no later than 11.00 a.m. on 22 July 2015, after which time Application Forms will not be valid. Qualifying Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. Qualifying Shareholders are recommended to allow at least four working days for delivery if posted by first class post. If you have any questions relating to this document, and the completion and return of the Application Form, please telephone Computershare Investor Services PLC between 9.00 a.m. and 5.00 p.m. (London time) Monday to Friday on 0870 889 4072 from within the UK or +44 870 889 4072 if calling from outside the UK. Calls from UK landlines are typically charged up to 9p per minute; calls from mobiles typically cost between 8p and 40p per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30 a.m. until 5.30 p.m. (London time) Monday to Friday (excluding UK public holidays). Please note that Computershare cannot provide financial advice on the merits of the Fundraising, nor give any financial, legal or tax advice.

**All payments must be in pounds sterling and made by cheque or bankers' draft and should be made payable to "CIS PLC re: Europa Oil & Gas (Holdings) PLC a/c" and crossed "A/C payee only".** Cheques and bankers' drafts must be drawn in sterling on a bank or building society in the UK which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or a member of the Committee of Scottish Bankers or the Belfast Bankers' Clearing Company Limited or which has arranged for its cheques and bankers' drafts to be cleared through facilities provided for the members of either of those companies or committees and must bear the appropriate sorting code in the top right hand corner. **No application will be considered unless these requirements are fulfilled. Euro cheques will not be accepted.**

Cheques should be drawn on the personal account to which the Qualifying Shareholder has sole or joint title to the funds. Third party cheques will not be accepted with the exception of bankers' drafts/building society cheques where the bank/building society has confirmed the name of the account holder on the back of the draft/cheque and has added their stamp. The account name must be the same as that of the applicant. Cheques and bankers' drafts will be presented for payment upon receipt and it is a term of the Open Offer that cheques will be honoured on first presentation. If cheques or bankers' drafts are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be kept in a separate bank account pending fulfilment of such conditions. If all the conditions of the Open Offer have not been fulfilled or (where appropriate) waived by 24 July 2015 (or such later date as the Company and its advisers may agree but in any event not later than on 5.00 p.m. on 15 August 2015), application monies will be returned, without interest, by crossed cheque in favour of the applicant(s) (at the applicant's risk) through the post as soon as is practicable after that date.

The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and

conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (i) Application Forms received after 11.00 a.m. on 22 July 2015; or
- (ii) Applications in respect of which remittances are received before 11.00 a.m. on 22 July 2015 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

If Open Offer Shares have already been allotted to a Qualifying Non-CREST Shareholder and such Qualifying Non-CREST Shareholder's cheque or banker's draft is not honoured upon first presentation or such Qualifying Non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, the Registrar shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Qualifying Non-CREST Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Registrar, the Broker, the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-CREST Shareholders.

The instructions, notes and other terms set out in the Application Form constitute part of the terms of the Open Offer.

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to the Receiving Agent, Computershare Investor Services PLC between 9.00 a.m. and 5.00 p.m. (London time) Monday to Friday on 0870 889 4072 from within the UK or +44 870 889 4072 if calling from outside the UK. Calls to the 0870 889 4072 number cost 8 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

#### **4.1.2 *If you have your Basic Entitlement and Excess Entitlement credited to your stock account in CREST in respect of your entitlement under the Open Offer***

##### **(a) General**

Each Qualifying CREST Shareholder will receive a credit to his stock account in CREST in respect of his Basic Entitlement and also in respect of his Excess Entitlement (equal to 25 times your Record Date holding – note that this is not a cap on the maximum number of Excess Entitlements you can apply for and should you wish to apply for more than the Excess Entitlements you receive you should contact the Receiving Agent to request the credit of additional Excess Entitlements, making sure this is done in good time to allow for the application to be completed by the Closing Date). The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of whom the Open Offer Entitlements have been allocated. If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 3.00 p.m. on 7 July 2015, or such later time and/or date as the Company and the Brokers may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to

Qualifying Non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive such Application Forms.

CREST members who wish to apply to acquire some or all of their entitlements to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact the Receiving Agent, Computershare Investor Services PLC between 9.00 a.m. and 5.00 p.m. (London time) Monday to Friday on 0870 889 4072 from within the UK or +44 870 889 4072 if calling from outside the UK. Calls from UK landlines are typically charged up to 9p per minute; calls from mobiles typically cost between 8p and 40p per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30 a.m. until 5.30 p.m. (London time) Monday to Friday (excluding UK public holidays). The helpline cannot provide advice on the merits of the Fundraising nor give any financial, legal or tax advice.

(b) *Market claims*

The Open Offer Entitlements and Excess Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and Excess Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. Transactions identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement and Excess Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) and Excess Entitlements will thereafter be transferred accordingly.

(c) *Unmatched Stock Event (“USE”) instructions*

Qualifying CREST Shareholders who are CREST members and who want to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an USE instruction to Euroclear which, on its settlement, will have the following effect: (i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above.

(d) *Content of USE instruction in respect of Basic Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear’s specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made and the number of Basic Entitlements being delivered to the Receiving Agent;
- (ii) the ISIN of the Basic Entitlement. This is GB00BYW73L88;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Basic Entitlements are to be debited;
- (v) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 8RA29;

- (vi) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is EUROPAOG;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 22 July 2015; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 22 July 2015. In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 22 July 2015 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 24 July 2015 or such later time and date as the Company and the Broker determine (being no later than 5.00 p.m. on 15 August 2015), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

**(e) Content of USE instruction in respect of Excess Entitlements**

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Excess Entitlements for which application is being made;
- (ii) the ISIN of the Excess Entitlements. This is GB00BYW73M95;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess Entitlements are to be debited;
- (v) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 8RA29;
- (vi) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is EUROPAOG;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Excess Entitlements referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 22 July 2015; and

- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 22 July 2015. In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 22 July 2015 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 24 July 2015 or such later time and date as the Company and the Broker determine (being no later than 5.00 p.m. on 15 August 2015), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(f) *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying Non-CREST Shareholder's entitlements to apply for Open Offer Shares under the Open Offer set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim), provided that such Qualifying Non-CREST Shareholder is also a CREST member. Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlements under the Open Offer are reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) to the provisions of the Application Form. A holder of an Application Form who is proposing to deposit the entitlements set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable a person holding or acquiring such Open Offer Entitlements following their deposit into CREST, to take all necessary steps in connection with taking up such entitlements prior to 3.00 p.m. on 17 July 2015. A holder of an Application Form who deposits his Open Offer Entitlement into his CREST account, will receive a credit to such account for his Open Offer Entitlement which will be managed by the Registrar.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements, is 3.00 p.m. on 17 July 2015 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 16 July 2015 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements prior to 11.00 a.m. on 22 July 2015. Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Receiving Agent by the relevant CREST member(s) that it/they is/are not in breach of the

provisions of the notes under the paragraph headed “Instructions for depositing entitlements under the Open Offer into CREST” on page 2 of the Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that they are not a citizen or resident of any territory other than one of the UK or one of the Qualifying Overseas Jurisdictions and where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(g) *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 22 July 2015 will constitute a valid application under the Open Offer.

(h) *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action.

Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 22 July 2015. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(i) *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company, through the Registrar, reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question (without interest);
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question (without interest).

(j) *Company's discretion as to the rejection and validity of applications*

The Company may in its sole discretion:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part III;
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the “first instruction”) as not constituting a valid application if, at the time at which the Registrar

receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and

- (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

(k) *Lapse of the Open Offer*

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 24 July 2015 or such later time and date as the Company and finnCap may agree (being no later than 5.00 p.m. on 15 August 2015), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(l) *Form of Proxy*

If a Qualifying CREST Shareholder does not wish to apply for the Open Offer Shares under the Open Offer, they should take no action. They are however, encouraged to vote at the General Meeting.

## 5 Warranties

A Qualifying Shareholder who makes or is treated as making a valid application for Open Offer Shares:

- (i) represents and warrants that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prohibited or restricted by legal or regulatory requirements from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees to pay the amount payable on application in accordance with the payment procedures described in this Part III;
- (iii) agrees that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (iv) confirms that in making the application he is not relying on any information or representation in relation to the Company other than that contained in or referred to in this document or any Publicly Available Information;
- (v) represents and warrants that he is the Qualifying Shareholder originally entitled to relevant Open Offer Entitlements or that he has received such Open Offer Entitlements by virtue of a *bona fide* market claim;

- (vi) represents and warrants that in relation to each and every Open Offer Entitlement that he has received from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (vii) requests that the New Ordinary Shares to which he will become entitled shall be issued to him on the terms set out both in this document and the Application Form (if applicable, in the case of the latter), subject to the memorandum of association and articles of association of the Company;
- (viii) represents and warrants that they are resident in the UK or one of the Qualifying Overseas Jurisdictions and not resident of any other territory and they will not offer to sell, directly or indirectly, any of the Open Offer Shares (or any rights in respect of such Open Offer Shares) in any such other territory or for the benefit of a resident of any other territory other than one of the Qualifying Overseas Jurisdictions. In addition, completion of an Application Form will constitute a representation and warranty that the person in whose name registration is applied for is a resident of the UK or one of the Qualifying Overseas Jurisdictions and not resident in any other territory and that they do not hold and have not acquired the Open Offer Shares comprised in the Application Form for the account or benefit of a resident of any such other territory or with a view to the offer, sale or delivery, directly or indirectly, of any Open Offer Shares or any rights in respect of such Open Offer Shares in any territory other than the UK or one of the Qualifying Overseas Jurisdictions or to a resident of any other territory;
- (ix) represents and warrants that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depositary receipts and clearance services) of the Finance Act 1986;
- (x) confirms that in making the application he is not relying and has not relied on the Broker or any person affiliated with the Broker in connection with any investigation of the accuracy of any information contained in this document or his investment decision; and
- (xi) represents and warrants that that acceptance by them of their application for subscription under the Open Offer will not result in them and/or persons acting in concert with them obtaining an interest in greater than 29.9 per cent. of the total number of Ordinary Shares in issue following the Open Offer.

## **6 Money Laundering Regulations**

To ensure compliance with the Money Laundering Regulations 2007 (the “**Regulations**”), it is a term of the Open Offer that the Registrar may, at their absolute discretion, require verification of identity from any person completing an Application Form or sending a USE message through CREST (the “**Applicant**”) for more than a sterling equivalent of €15,000 and, without prejudice to the generality of the foregoing, in particular any person who either (i) tenders payment by way of a cheque or banker’s draft drawn on an account in the name of any person or persons other than the Applicant or (ii) appears to the Registrar to be acting on behalf of some other person.

This may involve verification of the identity of any person on whose behalf the Applicant appears to be acting.

Lodging of an Application Form and sending the USE message through CREST with the appropriate remittance constitutes a warranty by the Applicant that the Regulations will not be breached by the acceptance of the remittance and an undertaking to provide such evidence of identity at the time of lodging an Application Form or, in the absolute discretion of the Company, within a reasonable time thereafter (in each case to be determined at the absolute discretion of the Company and the Registrar) as may be required to ensure compliance with the Regulations.

If satisfactory evidence of identity has not been received by the Registrar within a reasonable period of time, then the Application Form or USE message through CREST in question may be rejected, in which event the application will not proceed any further and the application monies (without interest) will be returned to the bank account on which the cheque was drawn at the Applicant’s own risk.

Where possible Applicants should make payment by their own cheque. If a bankers' draft or building society cheque is used, the Applicant should:

- write his/her name and address on the back of the draft or cheque and, in the case of an individual, record his/her date of birth against his/her name; and
- ask the bank or building society to endorse on the reverse of the draft or cheque the full name and account number of the person whose account number is being debited and stamp such endorsement.

The above information is provided by way of guidance to reduce the likelihood of difficulties, delays and potential rejection of an Application Form (but without limiting Registrar's right to require verification of identity as indicated above).

## 7 Overseas Shareholders

### 7.1 General

**The distribution of this document and the making of the Open Offer to persons located or resident in, or who are citizens of, or who have a registered address in, countries other than the UK or a Qualifying Overseas Jurisdiction may be restricted by the law or regulatory requirements of the relevant overseas jurisdiction. Any failure to comply with such restrictions may constitute a violation of the securities laws of the relevant overseas jurisdiction. The attention of Overseas Shareholders is drawn to the representations and warranties set out in paragraph 5 above, which will be given or treated as given in relation to each and every application for Open Offer Shares. Any Overseas Shareholder unable to give such representations and warranties should not apply for Open Offer Shares.**

The Company reserves the right to treat as invalid any application or purported application for Open Offer Shares which appears to the Company or its agents or professional advisers to have been executed, effected or despatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents or professional advisers believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of share certificates for Open Offer Shares, or in the case of a credit of Open Offer Shares in CREST, to a CREST member whose registered address would be not be in a Qualifying Overseas Jurisdiction.

Copies of this document and/or Application Forms will only be posted to Qualifying Non-CREST Shareholders with a registered address in the United Kingdom or a Qualifying Overseas Jurisdiction and Open Offer Entitlements will only be credited to the CREST stock accounts of Qualifying CREST Shareholders with a registered address in the United Kingdom or a Qualifying Overseas Jurisdiction. Such Qualifying Shareholders may apply for Open Offer Shares in accordance with the instructions set out in this document and, if relevant, the Application Form.

Receipt of this document and/or the Application Form and/or a credit of Open Offer Entitlement to a stock account in CREST will not constitute an invitation to subscribe for Open Offer Shares in those jurisdictions in which it would be illegal to make such an invitation or any related offer and/or acceptance and, in those circumstances, this document and/or the Application Form will be sent for information only and should not be copied or redistributed. No person receiving a copy of this document and/or the Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST in any territory other than one of the Qualifying Overseas Jurisdictions may treat the same as constituting an invitation or offer to him or her, or use the Application Form and/or credit of Open Offer Entitlement to a stock account in CREST, unless in the relevant territory such an invitation or offer could lawfully be made to him/her and such an Application Form and/or a credit of Open Offer Entitlement to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements.

Accordingly, persons receiving a copy of this document and/or the Application Form should not, in connection with the Open Offer or otherwise, distribute or send the same to any person in, or citizen

or resident of, or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee in any such jurisdiction, he or she must not seek to apply for Open Offer Shares. Any person who does forward this document and/or the Application Form into any such jurisdictions (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this paragraph 7.

Notwithstanding any other provision of this document or the Application Form, the Company reserves the right to permit any Qualifying Shareholder to apply for Open Offer Shares if the Company, in their sole and absolute discretion, are satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

**If you are in any doubt as to your eligibility to take up Open Offer Shares, you should contact an appropriate professional adviser immediately.**

#### 7.2 *Qualifying Overseas Jurisdiction*

Qualifying Shareholders who have a registered address in a Qualifying Overseas Jurisdiction may take up Open Offer Shares in accordance with the instructions set out in this document and the Application Form.

### 8 Governing Law

The terms and conditions of the Open Offer as set out in this document and (in the case of Qualifying Non-CREST Shareholders) the Application Form shall be governed by, and construed in accordance with, the laws of England and Wales. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document and the Application Form.

By taking up their entitlements under the Open Offer in accordance with the instructions set out in this document and the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

### 9 Admission, Settlement and Dealings

Application will be made for the admission of the Open Offer Shares to trading on AIM. The result of the Open Offer is expected to be announced on or about 23 July 2015 and, subject to the Open Offer becoming unconditional in all respects, trading in the Open Offer Shares is anticipated to commence on AIM for normal settlement on 24 July 2015.

Application will be made for the New Ordinary Shares to be admitted to CREST with effect from Second Admission and applicants for Open Offer Shares will be able to hold their Open Offer Shares in certificated or uncertificated form.

Notwithstanding any other provision of this document or of the Application Form, the Company reserves the right to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST), or on the part of the facilities and/or systems operated by the Company's Registrar in connection with CREST. This right may also be exercised if the correct details in respect of *bona fide* market claims (such as the Member Account ID and Participation ID details) are not provided as requested on the Application Form.

For more information as to the procedure for application in each case, Qualifying Shareholders are referred to the Application Form.

## PART IV

### ADDITIONAL INFORMATION

#### **1 The Company**

- 1.1 The Company was incorporated and registered as a public limited company in England and Wales under the Companies Act 1985 on 31 August 2004 with registered number 05217946. The liability of the members of the Company is limited.
- 1.2 The Company's registered office and principal place of business is 6 Porter Street, London W1U 6DD. The telephone number is 020 7224 3770.
- 1.3 On 11 November 2004 the Ordinary Shares were admitted to trading on AIM.
- 1.4 The principal legislation under which the Company operates is the Act and the regulations made respectively thereunder.
- 1.5 The Company's principal activity is that of oil and gas exploration and development.
- 1.6 The Company has the following direct and indirect subsidiaries:

<i>Name and Company Number</i>	<i>Date of incorporation</i>	<i>Place of incorporation</i>	<i>Percentage interest held</i>
Europa Oil & Gas Limited	22/08/1995	England	100
Europa Oil & Gas (Ireland East) Limited	02/10/2013	England	100
Europa Oil & Gas (Ireland West) Limited	03/10/2013	England	100
Europa Oil & Gas Resources Limited	19/05/2010	England	100
Europa Oil & Gas (West Firsby) Limited	26/03/2003	England	100

#### **2 Share capital**

- 2.1 The Company's Ordinary Shares are in registered form and are capable of transfer in both certificated form and uncertificated form. The register of members of the Company is maintained by the Registrar: Computershare Investor Services plc, PO Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 7NH.
- 2.2 The issued share capital of the Company as at 3 July 2015 (being the latest practicable date before publication of this document) was 204,883,024 Ordinary Shares, all of which are fully paid. On First Admission, the issued share capital will be 224,883,024.
- 2.3 As at 3 July 2015 (being the latest practicable date before publication of this document), the Company had outstanding options and/or warrants over 13,856,626 Ordinary Shares.
- 2.4 The Conditional Placing and Open Offer (assuming both become unconditional in all respects) will result in the issue of 36,777,170 New Ordinary Shares. Following completion of the Conditional Placing and Open Offer (assuming a full take up of the Open Offer and assuming that no options or warrants are exercised between 3 July 2015 and Second Admission) the Company's share capital will, change as follows:

	<i>As at 3 July 2015</i>		<i>Immediately following Second Admission</i>	
	<i>Nominal amount (£)</i>	<i>Number of Ordinary Shares</i>	<i>Nominal amount (£)</i>	<i>Number of Ordinary Shares</i>
Issued	2,048,830.24	204,883,024	2,616,601.94	261,660,194

- 2.5 No share or loan capital of the Company has since 31 July 2014 (being the date of the last audited accounts), been issued or agreed to be issued or is now (other than the Firm Placing Shares and the Ordinary Shares proposed to be issued in respect of the Conditional Placing and the Open Offer) proposed to be issued fully or partly paid either for cash or a consideration other than cash and no discounts or other special terms have been granted by the Company during such period in connection with the sale or issue of any share or loan capital of the Company.
- 2.6 The Company's share capital consists solely of Ordinary Shares with equal voting rights (subject to the Articles). No Shareholder of the Company has any different voting rights from the other Shareholders.

### **3 Directors' and other interests**

- 3.1 The interests (all of which are beneficial unless otherwise stated) of each of the Directors and the persons connected with them (within the meaning of section 252 of the Act) in the share capital of the Company or the existence of which could, with reasonable diligence, be ascertained by any Director as at the date of this document and as expected to be at Second Admission, are as set out below:

#### ***Ordinary Shares***

Director	<i>As at the date of this document</i>		<i>As at Second Admission (assuming the Conditional Placing and Open Offer both become unconditional in all respects)</i>			
	<i>Number of Ordinary Shares held</i>	<i>Percentage of Share Capital</i>	<i>Number of Shares to be applied for*</i>	<i>Number of Ordinary Shares held**</i>	<i>Percentage of Enlarged Share Capital ***</i>	
Colin Bousfield	190,625	0.09	83,333	273,958	0.10	
Hugh Mackay	2,340,883	1.14	166,666	2,507,549	0.96	
Phil Greenhalgh	437,640	0.21	83,333	520,973	0.20	
William Ahlefeldt-Laurvig	25,502,442	12.45	–	25,502,442	9.75	
Roderick Corrie	425,820	0.21	116,000	541,820	0.21	

\* including Excess Entitlement applications

\*\* assuming each Directors' application to the Open Offer is satisfied in full

\*\*\* assuming no outstanding warrants or options are exercised between the date of this document and Second Admission and also assuming full subscription under the Open Offer, including by the Directors as set out in this table

#### ***Share Options***

Director	<i>As at the date of this document</i>		<i>As at Second Admission (assuming the Conditional Placing and Open Offer both become unconditional in all respects)</i>	
	<i>Number of Ordinary Shares over which options have been granted</i>	<i>Percentage of Enlarged Share Capital represented by the options*</i>		
Colin Bousfield	500,000	0.19		
Hugh Mackay	6,600,000	2.52		
Phil Greenhalgh	3,075,000	1.18		
William Ahlefeldt-Laurvig	–	–		
Roderick Corrie	500,000	0.19		

\* assuming full subscription under the Open Offer, including by the Directors as set out in the table above, and also assuming no warrants or options are exercised between the date of this document and Second Admission

## **4 Significant Shareholders**

4.1 Set out below are, so far as has been notified to the Company, the names of those persons other than the Directors who directly or indirectly have an interest in 3 per cent. or more of the issued share capital of the Company as at 3 July 2015 (being the last practicable date prior to the publication of this document, and not including any Firm Placing Shares to be issued pursuant to the Firm Placing):

<i>Name of Shareholder</i>	<i>Percentage of Issued Share Capital at 3 July 2015</i>
HSBC Global Custody Nominee (UK) Limited (includes the shareholding of William Ahlefeldt-Laurvig)	12.52
Barclayshare Nominees Limited	8.81
TD Direct Investing Nominees (Europe) Limited	6.23
HSDL Nominees Limited	5.49
State Street Nominees Limited	4.44
Hargreaves Lansdown (Nominees) Limited	3.96
W B Nominees	3.87
Dr Erika Syba	3.71
HSBC Client Holdings Nominee (UK) Limited	3.28
Huntress (CI) Nominees Limited	3.04

## **5 Litigation**

Neither the Company nor any of its subsidiaries are, nor have any of them been engaged in the previous 12 months, in any governmental, legal or arbitration proceedings which may have, or have had, any significant effect on the Group's financial position or profitability nor, so far as the Company is aware, are there any such proceedings pending or threatened by or against the Company or any of its subsidiaries.

## **6 Material Contracts**

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company or its subsidiaries within the period of two years immediately preceding the date of this document or were entered into prior to this but contain provisions which are, or may be, material to the Group at the date of this document:

### **6.1 Farmout Agreement 11/7 with Kosmos Energy Ireland dated 17 April 2013**

On 17 April 2013, the Company and Kosmos Energy Ireland entered into a farmout agreement ("Farmout Agreement 11/7") pursuant to which the Company agreed to assign to Kosmos 85 per cent. of its legal and beneficial interest in the licence LO 11/7 (now FEL 2/13). Under the agreement:

- Kosmos agreed to pay 85 per cent. of costs incurred by Europa to date and fully fund a 3D seismic programme on the Licence
- Kosmos agreed that it will incur 100 per cent. of the costs of the first exploration well, if both parties agree to enter into an exploration drilling phase
- There is an investment cap of US\$90 million for the first exploration well on FEL 2/13
- Company's contribution to non-well costs through the well phase is 15 per cent., but capped at US\$0.45 million net

Each of the Company and Kosmos provided certain representations and warranties customary for this type of agreement. Farmout Agreement 11/7 is governed by English law.

### **6.2 Farmout Agreement 11/8 with Kosmos Energy Ireland dated 17 April 2013**

On 17 April 2013, the Company and Kosmos Energy Ireland entered into a farmout agreement ("Farmout Agreement 11/8") pursuant to which the Company agreed to assign to Kosmos 85 per cent. of its legal and beneficial interest in the licence LO 11/8 (now FEL 3/13). Under the agreement:

- Kosmos agreed to pay 85 per cent. of costs incurred by Europa to date and fully fund a 3D seismic programme on the Licence
- Kosmos agreed that it will incur 100 per cent. of the costs of the first exploration well, if both parties agree to enter into an exploration drilling phase
- There is an investment cap of US\$110 million for the first exploration well on FEL 3/13
- Company's contribution to non-well costs through the well phase is 15 per cent., but capped at US\$0.45 million net

Each of the Company and Kosmos provided certain representations and warranties customary for this type of agreement. Farmout Agreement 11/8 is governed by English law.

#### **6.3 *Joint Operating Agreement 11/7 with Kosmos Energy Ireland dated 17 April 2013***

On 17 April 2013, the Company and Kosmos Energy Ireland entered into a joint operating agreement (“**Joint Operating Agreement 11/7**”) pursuant to which the parties’ rights and obligations with respect to their operations under the licence LO 11/7 (now FEL 2/13) were defined. The agreement is based on the AIPN standard version. Under the agreement:

- Kosmos is designated as the operator
- There is an operating committee, with each party appointing one representative each

Each of the Company and Kosmos provided certain representations and warranties customary for this type of agreement and as per industry standards. Joint Operating Agreement 11/7 is governed by English law.

#### **6.4 *Joint Operating Agreement 11/8 with Kosmos Energy Ireland dated 17 April 2013***

On 17 April 2013, the Company and Kosmos Energy Ireland entered into a joint operating agreement (“**Joint Operating Agreement 11/8**”) pursuant to which the parties’ rights and obligations with respect to their operations under the licence LO 11/8 (now FEL 3/13) were defined. The agreement is based on the AIPN standard version. Under the agreement:

- Kosmos is designated as the operator
- There is an operating committee, with each party appointing one representative each

Each of the Company and Kosmos provided certain representations and warranties customary for this type of agreement and as per industry standards. The Joint Operating Agreement 11/8 is governed by English law.

#### **6.5 *Farmout Agreement with Vermilion REP SAS dated 23 January 2015***

On 23 January 2015, the Company and Vermilion REP SAS entered into a farmout agreement (“**Farmout Agreement Tarbes**”) pursuant to which the Company agreed to assign to Vermilion 80 per cent. of its ownership in the Tarbes Val d’Adour permit. Under the agreement, Vermilion agreed to assume 100 per cent. of the cost of a work programme up to a total of €4.65 million. The agreement is subject to the relevant approvals being granted by the French authorities and also obtaining an extension for the permit.

Each of the Company and Vermilion provided certain representations and warranties customary for this type of agreement. Farmout Agreement Tarbes is governed by the laws of France.

#### **6.6 *Joint Operating Agreement with Vermilion REP SAS dated 23 January 2015***

On 23 January 2015, the Company and Vermilion REP SAS entered into a joint operating agreement (“**Joint Operating Agreement Tarbes**”) pursuant to which the parties’ rights and obligations with respect to their operations under the Tarbes Val d’Adour permit were defined. Under the agreement:

- Vermilion is designated as the operator

- There is an operating committee, with each party appointing one representative each
- Each of the Company and Vermilion provided certain representations and warranties customary for this type of agreement. Joint Operating Agreement Tarbes is governed by the laws of France.

#### 6.7 ***Placing Agreement dated 3 July 2015***

On 3 July 2015, the Company and finnCap Ltd entered into a conditional agreement in relation to the Firm Placing (the “**Placing Agreement**”) pursuant to which the Company appointed finnCap as its agent to use its reasonable endeavours to place the Firm Placing Shares with institutional investors. The Firm Placing is conditional on, *inter alia*, the delivery by the Company to finnCap of a certificate confirming the accuracy of the representations and warranties contained in the agreement immediately prior to First Admission and to First Admission occurring by not later than 8.00 a.m. on 10 July 2015 or such later date as the Company and finnCap may agree, but in any event not later than 5.00 p.m. on 31 July 2015.

The Placing Agreement is not conditional on the Open Offer. Europa has agreed to pay finnCap a corporate finance fee and also commission on the aggregate value of the Firm Placing Shares sold at the Issue Price.

The Company is also giving certain warranties and indemnities to finnCap customary for this type of agreement. The Placing Agreement is governed by English law.

#### 6.8 ***Placing and Open Offer Agreement dated 3 July 2015***

On 3 July 2015, the Company and finnCap Ltd entered into a conditional agreement in relation to the Conditional Placing and the Open Offer (the “**Placing and Open Offer Agreement**”) pursuant to which the Company shall offer the Open Offer Shares to Qualifying Shareholders and the Company appointed finnCap as its agent to use its reasonable endeavours to place the Conditional Placing Shares with institutional investors.

Under the agreement, Europa has agreed to pay finnCap a commission on the aggregate value of the Conditional Placing Shares and the Open Offer Shares sold at the issue price.

The Conditional Placing is conditional on the passing of Resolution 1 at the General Meeting.

The Placing and Open Offer Agreement is conditional on, *inter alia*, the delivery by the Company to finnCap of a certificate confirming the accuracy of the representations and warranties contained in the Placing and Open Offer Agreement immediately prior to Second Admission and to Second Admission occurring by not later than 8.00 a.m. on 24 July 2015 or such later date as the Company and finnCap may agree, but in any event not later than 5.00 p.m. on 15 August 2015.

The Company is also giving certain warranties and indemnities to finnCap customary for this type of agreement. The Placing and Open Offer Agreement is governed by English law.

### 7 **General**

- 7.1 finnCap has given and not withdrawn its written consent to the inclusion in this document of their names and the references thereto in the form and context in which they appear.
- 7.2 The total amount of the expenses of the Fundraising is estimated at £190,000 (including commissions payable) which is payable out of the proceeds of the Fundraising.
- 7.3 The Ordinary Shares are in registered form. No temporary documents of title will be issued.
- 7.4 Information sourced from a third party has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Dated: 6 July 2015

## PART V

### EUROPA OIL & GAS (HOLDINGS) PLC

(Incorporated and registered in England and Wales with registered number 05217946)

NOTICE IS HEREBY GIVEN that the General Meeting of Europa Oil & Gas (Holdings) PLC (the “Company”) will be held at the offices of finnCap Ltd, at 60 New Broad Street, London EC2M 1JJ on 23 July 2015 at 10.00 a.m. to consider, and if thought fit pass, the following resolutions, both of which are special resolutions.

#### **Resolution 1 – authority to allot shares and disapplication of pre-emption rights in connection with the Conditional Placing**

##### **1. THAT,**

- (i) in accordance with section 551 of the Companies Act 2006 (the “Act”), the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £26,300.00 (2,630,000 Ordinary Shares) in connection with the Conditional Placing (as defined in the Circular to shareholders dated 6 July 2015), provided that this authority will expire at whichever is the earlier of the conclusion of the next annual general meeting of the Company, or the date falling 12 months from the date of the passing of this resolution (unless renewed varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this Resolution had not expired; and
- (ii) in accordance with section 571(1) of the Act, the directors be and are hereby generally and unconditionally empowered to allot equity securities for cash (within the meaning of section 560 of the Act) as if section 561 of the Act did not apply to any such allotment, provided that this power shall:
  - (a) be limited to the allotment of equity securities in connection with the Conditional Placing up to an aggregate nominal value of £26,300.00 (2,630,000 Ordinary Shares); and
  - (b) expire at whichever is the earlier of the conclusion of the next annual general meeting of the Company or the date falling 12 months from the date of passing this resolution but may be previously revoked or varied by special resolution and so that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if such power had not expired.

#### **Resolution 2 – Ongoing disapplication of pre-emption rights**

- 2. THAT** the directors be and are hereby generally and unconditionally empowered in accordance with sections 570 and 573 of the Act to allot equity securities (as defined in section 560 of the Act) for cash, or by way of the sale of treasury shares, as if section 561 of the Act did not apply to any such allotment, provided that this power shall operate in substitution for and to the exclusion of any previous authority given to the directors pursuant to sections 570 or 573 of the Act to the extent unused (other than the authority granted pursuant to Resolution 1 above or to be utilised in connection with the Open Offer) and be limited to the allotment of equity securities up to an aggregate nominal value of £227,513.02 (22,751,302 Ordinary Shares) and shall expire at whichever is the earlier of the conclusion of the next annual general meeting of the Company or the date falling 12 months from the date of passing this resolution but may be previously revoked or varied by special resolution and so that the Company may, before such expiry make an offer or agreement which would or might require

equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if such power had not expired.

By order of the Board

**P Greenhalgh**  
Company Secretary

6 July 2015

**Notes**

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at 6.00 p.m. on 21 July 2015 shall be entitled to attend and vote at the General Meeting.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a proxy form with this Notice of General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. Details of how to appoint the Chairman of the General Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company's Registrar at the address set out in note 5.
5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:
  - a) completed and signed;
  - b) sent or delivered to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH; and
  - c) received by them no later than 10.00 a.m. on 21 July 2015.

Completion and return of the proxy form or appointment of a proxy through CREST will not preclude you from attending or voting at the meeting in person.

6. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (3RA50) by 10.00 a.m. on 21 July 2015. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

10. As at 6.00 p.m. on the day immediately prior to the date of posting of this Notice of General Meeting, the Company's issued share capital comprised 204,883,024 ordinary shares of 1p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 p.m. on the day immediately prior to the date of posting of this Notice of General Meeting is 204,883,024.





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