

Europa Oil & Gas (Holdings) plc ('Europa' or 'the Company')
Technical Update on Licensing Options 16/20 and 16/21, Offshore Ireland

Europa Oil & Gas (Holdings) plc, the AIM listed oil and gas exploration, development and production company focused on Europe, is pleased to provide detailed technical information on the recently awarded Licensing Options ('LO') 16/20 and 16/21. Europa has a 100% interest in, and is operator of, seven licences in the Atlantic basins offshore Ireland including LO 16/20 and LO 16/21, which cover 945 km² and 832 km² respectively in the Greater Corrib play in the Slyne Basin and are near the producing Corrib gas field.

Highlights

- Several large gas leads identified across both LO 16/20 and LO 16/21 in the Greater Corrib area of the Slyne Basin - a hydrocarbon play proven by the Corrib gas field
 - Gross mean un-risked prospective resources of 1 TCF identified in LO 16/20
 - Gross mean un-risked indicative resources of 0.5 TCF identified in LO 16/21
- The Greater Corrib play comprises Triassic sandstone reservoirs in tilted fault block structures with hydrocarbons generated from Carboniferous source rocks
- Water depths range from 300 – 2000m and the licences are already partially covered by historic 3D seismic data as well as extensive 2D seismic
- Strategy to expedite exploration by securing a farm-in partner(s) with which to reprocess historic 3D seismic over LO 16/20 and LO 16/21 and to mature leads to drillable prospect status

Europa CEO Hugh Mackay said, "Not everything offshore west Ireland is high risk, deepwater, frontier exploration. LOs 16/20 and 16/21 are in the greater Corrib area of the Slyne Basin and represent exploration in a proven play, in the vicinity of a gas field that is newly on production and with substantial gas infrastructure already in place. Clearly we are at a very early stage in the exploration cycle, however, equally clearly we have a well defined work programme to de-risk the play. In particular it is hoped that successful reprocessing of historic 3D seismic might allow us to mature existing leads to drillable prospect status without the need to acquire new seismic data.

"We are excited by the diversity of play type and risk profile that LO 16/20 and 16/21 in the Greater Corrib area brings to our Atlantic Ireland portfolio. Out of the gross mean un-risked prospective and indicative resources of more than 4 billion barrels oil equivalent and 1.5 tcf of gas we have so far identified across our seven offshore Ireland licences, LO 16/20 and 16/21 account for the 1.5 tcf of gas. We feel there is an excellent balance between these two LOs

and our four licences in the South Porcupine Basin and our Padraig Basin licence. We look forward to providing further updates in due course.”

A map can be found on Europa’s website detailing the location of all seven of Europa’s offshore Ireland licences. Please click on the link below or copy and paste this into your browser: http://www.europaoil.com/documents/160607EuropaIrishLicences_002.pdf.

An updated concession map for Ireland can be found on the DCENR website at: http://www.dcenr.gov.ie/natural-resources/SiteCollectionDocuments/Oil-and-Gas-Exploration-and-Production/A0_Concession_Map_Jul2016.pdf

Further Information

LO 16/20 and 16/21, were awarded to Europa as part of Phase 2 of the 2015 Atlantic Ireland licensing round (see announcements of 3 June and 8 June 2016).

The duration of LO 16/20 and LO 16/21 is three years, effective from 1 June 2016. Following the completion of a work programme, Europa has the option to apply to the Irish authorities for their consent to convert the LO into a full Frontier Exploration Licence (‘FEL’).

During the period of the Licensing Option, Europa will further mature the prospect inventory and will seek a farm-in partner with which to convert to an FEL, reprocess a 3D seismic survey and in due course drill an exploration well (subject to a positive technical and commercial outcome from the 3D seismic programme).

LO 16/20

LO 16/20 comprises 945 km² in the Slyne Basin immediately to the northwest of, and sharing a common border with, the Corrib gas field. Water depths range from 300-2000m and our principal lead 18/19-TR1 is a tilted fault block in 500 m of water depth and approximately 16 km to the northwest of the Corrib gas field.

The main objective is the Greater Corrib Play, i.e. Triassic fluvio-lacustrine sandstones (“Sherwood Sandstone”) sourced by Carboniferous gas and capped by late Triassic mudstones and evaporites (“Mercia Mudstone”). The principal lead 18/19-TR1 is estimated to have gross mean un-risked prospective resources of 1 TCF.

The principal leads are covered by a Veritas 3D seismic survey originally acquired in 2002 for Enterprise Oil as well as historic 2D seismic. It is hoped to significantly uplift seismic quality with successful reprocessing of the historic 3D seismic data and that it will be possible to mature existing leads to drillable prospect status without requiring additional seismic acquisition.

LO 16/21

LO 16/21 comprises 832 km² in the Slyne Basin some 40 km to the northeast of the Corrib gas field. Water depths range from 500-2000m.

The main objective is the Greater Corrib Play, i.e. Triassic fluvio-lacustrine sandstones (“Sherwood Sandstone”) sourced by Carboniferous gas and capped by late Triassic mudstones and evaporites (“Mercia Mudstone”). A number of leads have been identified with gross mean un-risked indicative resources of 0.5 TCF.

The principal leads are covered by a Fugro 3D seismic survey originally acquired in 2000 for Statoil as well as historic 2D seismic. It is hoped to significantly uplift seismic quality with successful reprocessing of the historic 3D seismic data and that it will be possible to mature some of the existing leads to drillable prospect status without requiring additional seismic acquisition.

Corrib Gas Field

The Corrib gas field lies some 83km off the north west coast of Ireland, approximately 3,000 metres under the seabed and in waters 350 metres deep. The Corrib Field was discovered in 1996 by Enterprise Oil. Enterprise Oil was acquired by the Shell group in 2002 who took over operatorship of the Corrib project. The Corrib project is a joint venture between operator Shell E&P Ireland Ltd. (45%), Statoil Exploration Ireland Ltd. (36.5%), and Vermilion Energy Ireland Ltd. (18.5%). Corrib started gas production in December 2015.

The Corrib field has been developed as a subsea-to-shore tieback solution with six production wells, a 20-in. pipeline leading from the subsea wellheads to landfall near the village of Glengad and onwards through an onshore pipeline to the Bellanaboy Bridge Gas Terminal in northwest Mayo about 9 km inland. The gas is then transferred into the Bord Gáis Eireann national grid for distribution to Irish markets.

The field is believed to contain approximately 1 trillion cubic feet of natural gas reserves in Triassic sandstone reservoir. Europa understands peak production at Corrib is expected to reach 260 MMscfd of gas. At peak levels, the potential exists to meet as much as 60% of Ireland’s gas needs.

Atlantic basin portfolio

Europa has seven licences in three basins in the Atlantic basins offshore Ireland. The combined gross mean un-risked prospective and indicative resources of more than 4 billion boe and 1.5 tcf gas.

					gross mean un-risked prospective and indicative resources	
Licence	Europa equity	area km²	Basin	Term	Oil million boe	Gas TCF
FEL 2/13	100% operator	768	South Porcupine	Phase 1 of 15 yr	595	
FEL 3/13	100% operator	782	South Porcupine	Phase 1 of 15 yr	1,500	
LO 16/2	100% operator	523	South Porcupine	2 yr	895	
LO 16/19	100% operator	976	South Porcupine	2 yr	700	
LO 16/20	100% operator	945	Slyne Basin	3 yr		1
LO 16/21	100% operator	832	Slyne Basin	3 yr		0.5
LO 16/22	100% operator	992	Padraig	3 yr	500	
	total	5,818			4,190	1.5

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Notes

Europa Oil & Gas (Holdings) plc has a diversified portfolio of multi-stage hydrocarbon assets that includes production, exploration and development interests, in countries that are politically stable, have transparent licensing processes, and offer attractive terms. In 2015 Europa produced 141 boepd. Its highly prospective exploration projects include the Wressle development (targeting production start-up in H2 2016 at up to 500 bopd gross) in the UK;

100% owned gas exploration prospect (107 bcf) and appraisal project (CPR 277 bcf) in onshore France, a joint venture with Vermilion Energy also in onshore France; and seven licences offshore Ireland with the potential to host gross mean un-risked prospective and indicative resources of more than 4 billion barrels oil equivalent and 1.5 tcf gas across all seven licences.

Qualified Person Review

This release has been reviewed by Hugh Mackay, Chief Executive of Europa, who is a petroleum geologist with 30 years' experience in petroleum exploration and a member of the Petroleum Exploration Society of Great Britain, American Association of Petroleum Geologists and Fellow of the Geological Society. Mr Mackay has consented to the inclusion of the technical information in this release in the form and context in which it appears.