

**Europa Oil & Gas (Holdings) plc ('Europa' or 'the Company')**  
**Competent Person's Report on Wressle Discovery and Broughton North Prospect,**  
**Onshore UK**

Europa Oil & Gas (Holdings) plc, the AIM traded oil and gas exploration, development and production company focused on the UK and Ireland, is pleased to announce the results of an independent Competent Person's Report ('CPR') prepared by ERC Equipoise Ltd ('ERCE'), including estimates of Reserves and Contingent and Prospective oil and gas Resources for the UK onshore Wressle discovery ('Wressle') and Broughton North prospect.

Wressle and Broughton North are located on licences PEDL180 and PEDL182 and lie on structural trend with and 5 km from the Europa operated Crosby Warren field in East Lincolnshire. Europa has a 33.34% working interest in both licences, alongside Egdon (operator, 25.00%), Celtique Energie Petroleum Ltd (33.33%), and Union Jack Oil (8.33%).

ERCE's letter to Europa's Board of Directors summarising the findings of their CPR has been published on Europa's website ([www.europaoil.com](http://www.europaoil.com)).

**Wressle**

- Gross Mean Discovered Stock Tank Oil Initially In Place ('STOIIP') of 14.18 million stock tank barrels ('stb') across three reservoir sands: Ashover Grit; Wingfield Flags; and Penistone Flags
- 2.15 million stb classified as discovered - as proved and probable reserves ('2P') and contingent resources ('2C')
- Gross 2P Reserves across the Ashover Grit and Wingfield Flags:
  - 0.62 million stb of oil (Justified For Development) - provide the basis for initial Field Development Plan ('FDP')
  - 0.20 billion standard cubic feet of gas (Justified For Development) - monetisation via on-site power generation with excess power sold into the National Grid
- Substantial resources confirmed in the Penistone Flags - gross 2C Resources of 1.53 million stb of oil and 2.0 billion standard cubic feet ('Bscf') of gas
- Production at an estimated gross rate of 500 barrels of oil per day ('bopd') expected to commence in early 2017, subject to receipt of all approvals - FDP and planning application with the Oil and Gas Authority ('OGA') and North Lincolnshire Council respectively
- Plans to produce from the Penistone Flags to be progressed following commencement of production from Ashover Grit - to include monetisation of gas resource by pipeline export or electricity generation and export

## Broughton North Prospect

- High Geological Chance of Success of 40% to 49% assigned by ERCE to Broughton North which is in a fault block immediately to the north-west of Wressle
- STOIP for Broughton North is 3.43 million stb across the Ashover Grit and Penistone Flags with Mean Prospective Resources of 0.51 million stb of oil plus 0.51 billion standard cubic feet of gas.

Europa CEO Hugh Mackay said, “Based on the results of this independent CPR, not only is Wressle expected to more than double our net production when it comes on stream in early 2017 at a gross rate of 500bopd, but it also substantially increases Europa’s asset backing. In addition to the immediate boost to our proven reserves, the CPR highlights significant contingent resources in the Penistone Flags at Wressle and work will shortly commence on drawing up a development plan to monetise this reservoir. The commencement of production at Wressle will be significant for Europa as it is expected to lead to a material increase in the Company’s revenue and operational cashflow. With this in mind ERCE’s assessment of Broughton North as low risk is also exciting, as it provides us with another drill ready prospect within our growing portfolio of UK onshore licences.”

**Table summarising gross volumes at Wressle and Broughton North along with net volumes attributed to Europa’s interests**

	Gross Volumes			Net Volumes attributable to Europa		
	Oil MMstb	Gas Bscf	Oil and Gas* MMboe	Oil MMstb	Gas Bscf	Oil and Gas* MMboe
<b>Wressle</b>						
2P Ashover Grit and Wingfield Flags	0.62	0.20	0.65	0.21	0.07	0.22
2C Penistone Flags	1.53	2.00	1.86	0.51	0.67	0.62
<b>Broughton North</b>						
Mean Unrisked Prospective Resources	0.51	0.51	0.60	0.17	0.17	0.20

\*Gas converted to oil equivalent using a 6Bscf/MMboe conversion and added to oil volume

## **Glossary:**

Some of the terms used in this announcement are defined below. A more exhaustive glossary is contained in ERCE's letter to Egdon's Board of Directors summarising the findings of their CPR has been published on the Company's website ([www.egdon-resources.com](http://www.egdon-resources.com)).

### **Proved Reserves**

Proved Reserves are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations.

If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate. The area of the reservoir considered as Proved includes:

- the area delineated by drilling and defined by fluid contacts, if any, and
- adjacent undrilled portions of the reservoir that can reasonably be judged as continuous with it and commercially productive on the basis of available geoscience and engineering data

In the absence of data on fluid contacts, Proved quantities in a reservoir are limited by the lowest known hydrocarbon (LKH) as seen in a well penetration unless otherwise indicated by definitive geoscience, engineering, or performance data. Such definitive information may include pressure gradient analysis and seismic indicators. Seismic data alone may not be sufficient to define fluid contacts for Proved Reserves (see "2001 Supplemental Guidelines," Chapter 8). Reserves in undeveloped locations may be classified as Proved provided that the locations are in undrilled areas of the reservoir that can be judged with reasonable certainty to be commercially productive and interpretations of available geoscience and engineering data indicate with reasonable certainty that the objective formation is laterally continuous with drilled Proved locations. For Proved Reserves, the recovery efficiency applied to these reservoirs should be defined based on a range of possibilities supported by analogues and sound engineering judgment considering the characteristics of the Proved area and the applied development programme.

### **2P**

Proved + Probable, a best estimate category of Reserves.

### **Contingent Resources**

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.

Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.

## **2C**

A best estimate category of Contingent Resources.

### **Prospective Resources**

Prospective Resources are those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations. Potential accumulations are evaluated according to their chance of discovery and, assuming a discovery, the estimated quantities that would be recoverable under defined development projects. It is recognized that the development programs will be of significantly less detail and depend more heavily on analog developments in the earlier phases of exploration.

**\*\* ENDS \*\***

For further information please visit [www.europaoil.com](http://www.europaoil.com) or contact:

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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 H1 2016 Europa produced 124 boepd. Its highly prospective exploration projects include the Wressle

development (targeting production start-up in early 2017 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.