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Europa Oil & Gas (Holdings) plc

**Firm Placing, Conditional Placing and Open Offer
and
Notice of General Meeting**

Europa is pleased to announce that it has raised total gross proceeds of approximately £1.4 million by the issue of 20,000,000 New Ordinary Shares pursuant to the Firm Placing and 2,630,000 New Ordinary Shares pursuant to the Conditional Placing at an issue price of 6 pence per New Ordinary Share. Furthermore, it proposes to raise up to a further £2.0 million by the issue of up to a further 34,147,170 New Ordinary Shares pursuant to the Open Offer at an issue price of 6 pence per New Ordinary Share.

Highlights:

- Firm Placing and Conditional Placing to new and existing institutional investors to raise gross proceeds of £1.4 million.
- Open Offer to Qualifying Shareholders to raise gross proceeds of up to a further £2.0 million
- Directors have undertaken to make applications to subscribe, in aggregate, for 449,332 Open Offer Shares to raise £26,960.
- The Fundraising is being undertaken to provide requisite financing for Europa's near-term work programme, including:
 - o funding the Company's contribution to expected startup costs of production at its new discovery, Wressle;
 - o seismic acquisition activities on any licences awarded to Europa in the 14th UK onshore licensing round; and
 - o funding for Europa's 15 per cent. equity share of general and administration costs on its Irish Atlantic Margin licences in the Porcupine Basin.
- The Company has received advanced assurance from HMRC that the Firm Placing Shares, the Conditional Placing Shares and the Open Offer Shares will satisfy the requirements for tax relief under EIS and VCT Schemes.
- A Circular to Shareholders in respect of the Conditional Placing and the Open Offer is expected to be posted later today giving notice of a general meeting of the Company to be held on 23 July 2015 at 10.00 a.m. at the offices of finnCap Ltd, 60 New Broad Street, London EC2M 1JJ. A copy of the Circular will be available on the Company's website www.europaoil.com.

Europa's CEO Hugh Mackay said:

"We are pleased at the support from existing and new institutional investors in the Firm and Conditional Placing and we are also providing all existing Qualifying Shareholders with an opportunity to participate in the Open Offer at the same issue price offered to the institutions. We are seeking to grow our licence holdings in onshore UK and offshore Ireland and the funds raised will enable Europa to undertake new exploration investment as well as funding work on existing projects such as the Wressle oil and gas discovery in PEDL 180. We look forward to the coming months with excitement and confidence."

Further information

The Conditional Placing is conditional upon, *inter alia*, the Company obtaining approval from its Shareholders to grant the Board authority to allot the Conditional Placing Shares and to disapply statutory pre-emption rights which would otherwise apply to the allotment of the Conditional Placing Shares. Accordingly, a General Meeting is being convened for the purpose of considering Resolutions which, *inter alia*, will give the Directors the necessary authorities to allot the Conditional Placing Shares.

The Board is mindful of and grateful for the continuing support received from Shareholders, and accordingly is offering Qualifying Shareholders the opportunity to participate in the Fundraising by way of the Open Offer to issue up to 34,147,170 New Ordinary Shares to Qualifying Shareholders. A Circular to Shareholders, setting out full details of the Open Offer and the actions to be taken by Qualifying Shareholders in respect of the Open Offer, is expected to be published later today. The Open Offer is not being underwritten and is not conditional on the Placings.

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

The Board considers the Fundraising to be in the best interests of the Company and Shareholders as a whole, and certain Directors intend to make applications to subscribe for in aggregate 449,332 Open Offer Shares, including Excess Entitlements, in the Open Offer in respect of their Ordinary Shares in the Company. The Directors also 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.

Application has been made to the London Stock Exchange for 20,000,000 Ordinary Shares arising from the Firm Placing to be admitted to trading on AIM. It is expected that Admission of the Firm Placing Shares will occur at 8.00 a.m. on 10 July 2015.

Application has also been made to the London Stock Exchange for 2,630,000 Ordinary Shares arising from the Conditional Placing and up to 34,147,170 Ordinary Shares arising from the Open Offer to be admitted to trading on AIM. It is expected that Admission of the Conditional Placing Shares and the Open Offer Shares will occur at 8.00 a.m. on 24 July 2015.

Enquiries:

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Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as defined in the Circular.

Important Information

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

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

finnCap Ltd, which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company in connection with the Placings and the Open Offer and is not acting for any other persons in relation to the Placings and Open Offer. finnCap Ltd is retained by the Company in connection with the Placings and Open Offer and shall not be responsible to any other party for providing advice or taking any other action in relation to the Placings and Open Offer. Persons receiving this announcement should note that finnCap Ltd will not be responsible to anyone other than the Company for providing the protections afforded to clients of finnCap Ltd or for advising any other person on the arrangements described in this announcement. finnCap Ltd has not authorised the contents of, or any part of, this announcement and no liability whatsoever is accepted by finnCap Ltd nor does it make any representation or warranty, express or implied, for the accuracy of any information or opinion contained in this announcement or for the omission of any information. finnCap Ltd disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this announcement. finnCap Ltd may, in accordance with applicable legal and regulatory provisions, engage in transactions in relation to the Ordinary Shares (including the Placing Shares and the Open Offer Shares) and/or related instruments for its own account for the purposes of hedging any underwriting exposure or otherwise. Except as required by applicable law or regulation, finnCap Ltd does not propose to make any public disclosure in relation to any such transactions.

This announcement does not constitute an offer to sell or an invitation to subscribe for, or solicitation of an offer to subscribe for or buy New Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation. In particular, this announcement must not be taken, transmitted, distributed or sent, directly or indirectly, in, or into, and Open Offer Entitlements may not be transferred through CREST, in or into, the United States of America, Canada, Australia, Japan or the Republic of South Africa or transmitted, distributed or sent to, or by, any national, resident or citizen of such countries. Accordingly, the New Ordinary Shares and/or Open Offer Entitlements may not, subject to certain exceptions, be offered or sold, directly or indirectly, in, or into, or credited to the stock account of any person in the United States of America, Canada, Australia, Japan or the Republic of South Africa or in any other country, territory or possession where to do so may contravene local securities laws or regulations. The New Ordinary Shares and the Open Offer Entitlements have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under the securities legislation of any state of the United States of America, any province or territory of Canada, Australia, Japan or the Republic of South Africa and they may not be offered or sold, directly or indirectly, within the United States of America or Canada, Australia, Japan or the Republic of South Africa or to or for the account or benefit of any national, citizen or resident of the United States of America, Canada, Australia, Japan or the Republic of South Africa or to any US person (within the definition of Regulation S made under the US Securities Act 1933 (as amended)).

Forward-looking statements

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

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

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

SHARE CAPITAL, 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

Introduction

Europa has conditionally raised £1.2 million by the issue of 20,000,000 New Ordinary Shares pursuant to the Firm Placing and a further £0.2 million by the issue of a further 2,630,000 New Ordinary Shares pursuant to the Conditional Placing. The Company also proposes to raise up to a further £2.0 million by the issue of up to 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 expected startup 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 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.

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.

The Firm Placing Shares have been allotted by the Board under existing authorities to issue New Ordinary Shares and Admission to trading on AIM 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. 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 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 Conditional Placing nor the Offer have been underwritten.

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 Competent Persons Report ("CPR") completed by ERC Equipoise Ltd ("ERCE") on Irish

Atlantic Margin Licence FEL 3/13. The CPR details total gross un-risked mean Prospective Resources of approximately 1.49 billion barrels of oil equivalent (“bboe”) on FEL 3/13 and 224 million barrels of oil equivalent (“mboe”) 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 Net Present Value (“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.

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 represents a discount of 23.8 per cent. 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.

Use of proceeds of Firm Placing and Conditional Placing	£ million
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 Open Offer proceeds 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 on the same terms as the Firm Placing and the Conditional Placing 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.

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 the Circular 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, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question. The Circular 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.

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 Announcement		As at Second Admission	
	Number of Ordinary Shares held	Number of Open Offer Shares subscribed for	Number of Ordinary Shares*	per cent. of Enlarged Share Capital**
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 announcement and Second Admission

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

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.

General Meeting

The Board is seeking the approval of Shareholders at the General Meeting to allot the Conditional Placing Shares, notice of which will be contained in the Circular.