

Europa Oil & Gas (Holdings) plc ('Europa' or 'the Company')
Award of Large Exploration Licence, Offshore Morocco

Highlights

- Eight-year licence covering large, under-explored area of Agadir Basin
- Focus is Lower Cretaceous fan sand play, a prolific producer in West Africa
- Initial, low cost, work programme to mature large stacked, 250MMBO plus prospects already identified on 3D seismic to drillable status ahead of farm-out

Europa Oil & Gas (Holdings) plc, oil and gas exploration, development and production company with assets in UK and Ireland, is pleased to announce that it has been awarded a new Exploration Permit ('Inezgane Offshore Permit' or 'the Licence'), covering an area of 11,228 sqkm in the Agadir Basin, offshore Morocco. A formal letter of award from the Office National des Hydrocarbures et des Mines ('ONHYM') is expected shortly and, following confirmation of its acceptance, Europa will be assigned a 75% interest in, and operatorship of, the Licence with ONHYM holding the remaining 25% interest.

Europa's focus in the Inezgane Permit is on the Lower Cretaceous fan sand play, which is a prolific producer in West Africa. Europa has identified that the key elements required for a working hydrocarbon system, namely source, reservoir and seal, are all present in the Licence area. In addition, a number of large structural traps located on the edges and above salt diapirs have already been identified throughout the permit area. Europa plans to mature several of these stacked prospects, which each have the potential to hold over 250 million barrels of oil, to drillable status with a view to attracting one or more farminees to drill an exploration well in the second phase of the Licence.

The Licence, which lies in water depths of between 600 and 2,000m, has an eight-year term and comprises three phases. During the two-year initial phase, Europa will undertake a work programme, which includes reprocessing 1,300 km² of 3D seismic data, as well as other technical studies. At the end of the initial phase, Europa will have the option to commit to drilling an exploration well in the second phase or to relinquish the Licence.

To date, only 10 wells have been drilled in deepwater Morocco, of which only three have penetrated a complete Lower Cretaceous section. Given the deepwater basins extend for some 1,800 kilometres offshore Morocco, it is clear that the play is highly under-explored. If the Lower Cretaceous play can be successfully unlocked, enormous upside lies within the rest of the Licence area.

A presentation providing further details on the Inezgane Offshore Permit will shortly be uploaded onto the Company's website at <http://www.europaoil.com/presentations.aspx>

Europa's CEO, Hugh Mackay, said: “The Inezgane Permit in Morocco is an excellent technical fit with Europa’s substantial licence position in the Porcupine Basin in Ireland where, among other plays, we are also targeting the Lower Cretaceous, a prolific producer in West Africa. In terms of our investment criteria, Morocco ticks all the boxes: a stable country with a transparent business environment; excellent fiscal terms; and low political and regulatory risk. From a technical, commercial and strategic perspective Morocco therefore represents an obvious new country for Europa’s technical team to deploy the first-rate knowledge and understanding of Lower Cretaceous plays it has gained through its work across our industry-leading licence position in offshore Ireland.

“We very much look forward to working with ONHYM in the initial phase of the Licence to mature prospects, which have the potential to hold up to 250MMBO each, to drillable status over the next 2-years. Together with our well-established positions in Ireland and the UK, we now have multiple work streams underway concurrently, all of which have the potential to generate significant value for our shareholders. With this in mind, I look forward to providing further updates on our progress.”

Qualified Person Review

This release has been reviewed by Hugh Mackay, Chief Executive of Europa, who is a petroleum geologist with over 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.

The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.

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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 2018 Europa produced 94 boepd. Its highly prospective exploration projects include the Wressle development in the UK (targeting production start-up in 2020 at 500 bopd gross) and six

licences offshore Ireland with the potential to host gross mean un-risked prospective resources of 6.4 billion barrels oil equivalent and 1.5 tcf gas across all six licences. The Company's flagship project offshore Ireland is the Inishkea prospect – a near field gas exploration project with 1.5 trillion cubic feet ('TCF') gross mean un-risked prospective gas resources.