

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION 2014/596/EU. IN ADDITION, MARKET SOUNDINGS WERE TAKEN IN RESPECT OF THE MATTERS CONTAINED IN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF SUCH INSIDE INFORMATION. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION.

Europa Oil & Gas (Holdings) plc ("EOG" or the "Company")

Placing and Broker Option Appointment of Joint Broker

Highlights

- Raising up to £2million via £1.5million Placing and £500,000 Broker Option primarily to fund multiple work programmes focused on:
 - Evaluating late-stage appraisal/development projects that would rebalance existing portfolio of production and exploration assets
 - Improving recovery from existing onshore UK fields including potential workovers on WF2 and WF9 wells at the West Firsby field
 - Continuing technical analysis and seismic reprocessing on the Inezgane Licence in Morocco in preparation for farm-out
- Turner Pope Investments to be appointed joint broker and granted Broker Option to provide the opportunity for shareholders to participate in the Placing at the Placing Price
- Fundraise in line with strategy focused on building a portfolio of multistage assets that can generate sustainable growth and value for shareholders

Europa Oil & Gas (Holdings) plc, the AIM quoted UK, Ireland and Morocco focused oil and gas exploration, development and production company, is pleased to announce that it has conditionally raised a total of £1.5 million (before expenses), through the issue of a total of 115,384,616 new ordinary shares in the Company (the "Placing Shares") at a price of 1.3 pence per Placing Share (the "Placing Price") (the "Placing") via a proposed placing by Turner Pope Investments (TPI) Limited ("Turner Pope/TPI").

EOG has also granted Turner Pope a broker option to conditionally raise up to a further £500,000 (before expenses) (the "Broker Option") through the issue of up to 38,461,538 new ordinary shares in the Company. The Broker Option provides the opportunity for interested shareholders to participate in the Placing at the Placing Price. To participate in the Broker Option, qualifying investors should communicate their interest to Turner Pope directly in the first instance or alternatively via their independent financial adviser, stockbroker or other firm

authorised by the Financial Conduct Authority. Turner Pope should be contacted on 020 3657 0050.

The Placing will take place in two tranches, the first tranche of which, comprising 38,461,538 new ordinary shares in the Company (the “First Tranche”), is not conditional upon any shareholder approvals and application will be made for the First Tranche to be admitted to trading on AIM on 18 February 2021. The second tranche of the Placing, comprising 76,923,077 new ordinary shares in the Company (the “Second Tranche”), is conditional upon the approval of shareholders at a general meeting of the Company which is expected to be held on 4 March 2021 (the “General Meeting”). The Broker Option, comprising up to 38,461,538 new ordinary shares in the Company (“Broker Option Shares”), is also conditional upon the approval of shareholders at the General Meeting. Application will be made for the Second Tranche and any Broker Option Shares issued to be admitted to trading on AIM on 8 March 2021.

A circular to shareholders in relation to the Placing and the Broker Option and convening the General Meeting will be published and posted to shareholders on or before 16 February 2021.

Simon Oddie, CEO of Europa, said: "We have previously said that we are seeking an appraisal/development asset that would complement our existing production and exploration assets and this fundraise will enable us to accelerate this process. It will also allow us to advance a number of growth opportunities within our current portfolio. These include evaluating the potential to increase production at our existing UK onshore fields, as well as further delineating the prospectivity of the Inezgane licence offshore Morocco where to date we have identified in excess of 1 billion barrels of unrisks resources and where we are looking to launch a farm-out process.

“Together with the recent commencement of oil flow at the Wressle field, which has the potential to more than double our production to over 200bopd and in the process transform our financial profile, the fundraise will further strengthen our balance sheet. We are well placed to achieve our corporate objectives and I look forward to providing further updates on progress made as we look to embark on a period of responsible, sustainable growth and value creation for both our new and existing shareholders.”

Further Information

Placing

The Company has conditionally raised £1,500,000 (before expenses) through the issue of the 115,384,616 Placing Shares, with a further amount of up to £500,000 conditionally available via the Broker Option. The new ordinary shares comprised in the First Tranche are expected to be admitted to trading on AIM on or around 18 February 2021.

The issue of the new ordinary shares comprised in the Second Tranche and any Broker Option Shares issued are conditional upon, *inter alia*, shareholder approval at the General Meeting which is expected to be held on 4 March 2021. If approved, the Second Tranche and any Broker Option Shares issued are expected to be admitted to trading on AIM on or around 8 March 2021.

The Placing Shares will represent approximately 19.4% of the enlarged issued share capital of the Company, assuming full take up of the Broker Option Shares. The Placing Price represents a discount of approximately 21.2% to the closing mid-market price of 1.65 pence per Ordinary Share on 10 February 2021.

Director Dealing

In connection with the Placing, Simon Oddie, William Ahlefeldt-Laurvig and Brian O’Cathain, being Directors of the Company, will subscribe for new Ordinary Shares as follows:

Name	Role	Amount of subscription	No. of existing Ordinary Shares	% of Existing Ordinary Share Capital	Number of placing shares subscribed for	No. of Ordinary Shares held following admission
Simon Oddie	CEO	£5,000	500,000	0.112 %	384,615	884,615
Brian O’Cathain	Chairman	£5,000	250,000	0.056 %	384,615	634,615
William Ahlefeldt-Laurvig	Non-Executive Director	£15,000	33,752,442	7.59 %	1,153,846	34,906,288

Related Party Transaction

Simon Oddie, William Ahlefeldt-Laurvig and Brian O’Cathain are each considered to be a “related party” as defined in the AIM Rules. Simon Oddie, William Ahlefeldt-Laurvig and Brian O’Cathain’s participation in the Placing constitutes a related party transaction for the purposes of Rule 13 of the AIM Rules.

Stephen Williams, being an independent director considers, having consulted with the Company’s nominated adviser for the purposes of the AIM Rules, finnCap, that the terms of Simon Oddie, William Ahlefeldt-Laurvig and Brian O’Cathain’s participation in the Placing is fair and reasonable insofar as the Company’s shareholders are concerned.

Broker Option

The Board is acutely aware that the Placing is dilutive for existing shareholders and has considered whether any wholly pre-emptive offering might be possible. On this occasion, the Placing has been conducted with the intention of minimising the associated costs, both direct and in terms of limited management time, and therefore the Board has reluctantly concluded that it was neither practicable nor cost effective to make an open offer to the shareholders at this time. However, the Broker Option provides the opportunity for interested shareholders to participate in the Placing at the Placing Price and to potentially avoid dilution.

The Company has granted the Broker Option to Turner Pope in order to enable it to deal with additional demand under the Placing in the event that requests to participate in the Placing from qualifying investors are received during the period from the time of this Announcement to 8.00 a.m. on 16 February 2021. To participate in the Broker Option, qualifying investors should communicate their interest to Turner Pope directly in the first instance or alternatively via their independent financial adviser, stockbroker or other firm authorised by the Financial Conduct Authority. Turner Pope should be contacted on 020 3657 0050.

Turner Pope may choose not to accept bids and/or to accept bids, either in whole or in part, on the basis of allocations determined at its discretion (after consultation with the Company) and may scale down any bids for this purpose on such basis as Turner Pope may determine.

Any Broker Option Shares issued pursuant to the exercise of the Broker Option will be issued on the same terms and conditions as the Placing Shares. The Broker Option may be exercised by Turner Pope, following consultation with the Company, but there is no obligation on it to exercise the Broker Option or to seek to procure subscribers for Broker Option Shares pursuant to the Broker Option. The maximum number of Broker Option Shares that may be issued pursuant to the exercise of the Broker Option is 38,461,538, raising up to £500,000 (before expenses).

The Broker Option Shares are not being made available to the public and none of the Broker Option Shares are being offered or sold in any jurisdiction where it would be unlawful to do so. No Prospectus will be issued in connection with the Broker Option.

Use of Proceeds

The net proceeds of the Placing and Broker Option will be used to:

- i) finance a workplan to identify and evaluate a new asset for acquisition by the Company that would rebalance the existing portfolio of production and exploration assets;
- ii) finance work to improve recovery from the Company's existing onshore UK fields including potential workovers on WF2 and WF9 wells at the West Firsby field;
- iii) enable the continuation of the technical analysis and seismic reprocessing on the Company's Inezgane licence in Morocco in preparation for farm-out; and

iv). strengthen the Company's balance sheet, reduce debt and provide additional working capital for the Company.

General Meeting

The Placing and issue of the Second Tranche and any Broker Option Shares are conditional, *inter alia*, on the approval of the resolutions at a General Meeting.

A circular to shareholders in relation to the Placing and the Broker Option and convening the General Meeting will be published and sent to shareholders on or before 16 February 2021.

Appointment of Joint Broker

The Board further announces the appointment of Turner Pope as joint broker to the Company with effect from admission to trading on AIM of the First Tranche. In addition, as part of the commission arrangements for acting as broker to the Placing, Turner Pope will be issued with 5,769,231 broker warrants, exercisable at the Placing Price, for a period of 36 months from their date of issue, which will be on Admission.

Settlement and dealings

Application will be made for the First Tranche to be admitted to trading on AIM on 18 February 2021. Application will be made for the Second Tranche and any Broker Option Shares issued to be admitted to trading on AIM on 8 March 2021.

****ENDS****

For further information, please contact:

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Notes

Europa Oil & Gas (Holdings) plc has a diversified portfolio of multi-stage hydrocarbon assets which includes production, development and exploration interests, in countries that are politically stable, have transparent licensing processes, and offer attractive terms. In terms of production, in the year to 31st July 2020 Europa produced 92 boepd. Production has the potential to increase to over 200 boepd once the Wressle field in the UK, which is currently under development, comes on stream at a forecast gross rate of 500 bopd.

The Company holds four exploration licences offshore Ireland which have the potential to host gross mean un-risked prospective resources of 2.7* trillion cubic feet ('tcf') gas (*subject to regulatory approval for the transfer of FEL 3/19). The Company's flagship projects offshore Ireland are Inishkea and Edge, two near field gas prospects in the Slyne Basin which the Company classifies as lower risk infrastructure-led exploration due to their close proximity to the producing Corrib gas field and associated gas processing infrastructure. In September 2019, Europa was awarded a 75% interest in the Inezgane permit offshore Morocco. Initial results of technical work have identified 30 prospects and leads that have the potential to hold in excess of one billion barrels of un-risked oil resources.