

**Europa Oil & Gas (Holdings) plc ('Europa' or 'the Company')**  
**Kosmos Energy to farm-in to Europa's Irish licences**  
**Analyst Conference Call**

Europa is pleased to announce a farm-in agreement with a subsidiary of the independent oil and gas exploration and production company Kosmos Energy Ltd (NYSE:KOS) ('Kosmos') for its two Licencing Options LO 11/7 and LO 11/8 in the South Porcupine Basin offshore Ireland ('Licences').

Under the terms of the agreement, Kosmos will:

- acquire an 85% interest and be appointed as operator of both Licences
- fully fund the costs of a 3D seismic programme on each Licence
- pay 85% of costs incurred by Europa to date

Contingent upon an election of the companies to enter into a subsequent exploration drilling phase on one or both of the blocks, Kosmos will also incur 100 percent of the costs of the first exploration well on each block. The first exploration wells on LO 11/7 and LO 11/8 have investment caps of US\$90 million and US\$110 million respectively. Costs in excess of the investment cap would be shared between Kosmos (85%) and Europa (15%).

As set out in the Company's technical update announcement dated 16 January 2013 in respect of these Licences, Europa commenced the farm-out process with the objective of finding a partner with the technical and financial resources and the strategic intent to pioneer a new hydrocarbon play in a deepwater frontier basin. The transaction with Kosmos represents the successful conclusion of this process.

The completion of the farm-in agreement remains subject to Irish governmental approval. Further announcements will be made as and when necessary.

**Europa's CEO Hugh Mackay said:** "We are very pleased to have secured a respected leading independent such as Kosmos as a farm-in partner and operator for our Irish Licences. Kosmos are a highly experienced operator in frontier basins and pioneered the Cretaceous stratigraphic play that has resulted in significant exploration success in the Atlantic margin basins. We look forward to working with Kosmos and their involvement is a highly significant first step towards realising the potential value of our exciting prospects in a new hydrocarbon play located in an essentially undrilled basin offshore Ireland.

"The farm-in provides recognition of the substantial potential value lying in our Irish exploration prospects. The work programme associated with the farm-in has the potential to deliver significant value realisation. Europa's retained 15% interest exposes the Company to substantial upside in the event of drilling success at either or both of these prospects at a much reduced risk and cost to our shareholders.

“We understand that the Eirik Raude rig is in Irish waters to drill Exxon’s Dunquin well. An exciting new chapter in the exploration of Ireland is starting and we are delighted to be part of it.”

### **About LO 11/7 and LO 11/8, offshore Ireland**

LO 11/7 and LO 11/8 each cover an area of approximately 1,000km<sup>2</sup> in the highly prospective South Porcupine basin, offshore Ireland. The Licences have been mapped using existing 2D seismic data and are undrilled. Europa’s technical work to date has identified two, previously unknown, prospects in the Lower Cretaceous stratigraphic play: Mullen in LO 11/7 and Kiernan in LO 11/8. Information about the Mullen and Kiernan prospects were provided to the markets in previous RNS releases dated 6 November 2012 and 16 January 2013 respectively.

Further information in respect of LO 11/7 and LO 11/8, as well as the farm-in by Kosmos, will be posted on Europa’s website at [www.europaoil.com](http://www.europaoil.com).

### **Analyst Conference Call**

Europa is pleased to announce that it will be holding a conference call for analysts on Monday 22 April 2013 at 11.00 GMT. Please email [info@sbfm.co.uk](mailto:info@sbfm.co.uk) if you wish to join the call.

Europa CEO Hugh Mackay will be hosting the call and will provide an update on the Company’s operations in Ireland.

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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. The Company currently produces approximately 180 boepd in the UK, generating sufficient revenues to cover corporate overheads. Its highly prospective exploration projects include the Wressle prospect in the UK where a well is due to be drilled later this year; a 100% owned deep gas appraisal project with a CPR assigned contingent resource of 277bcf in

onshore France; and a joint venture with leading independent Kosmos to explore two licences in offshore Ireland in which Europa has identified two prospects with estimated gross mean unrisked indicative resources of 482 million barrels oil and 1.6 billion barrels oil respectively.