

# Europa Oil & Gas (Holdings) plc



## Investor Update September 2010

# Europa Oil & Gas

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# Europa Oil & Gas

## Introduction



AIM listed European  
focused E&P

Asset base across  
UK, France, Romania

Current Market Cap'n  
£12million

FY 2010 Revenues est'd  
£3.1million



# Europa Oil & Gas

- Four Main Areas of the Presentation
  - Discovered Undeveloped Contingent Resources of up to **350 mmboe\***
  - Upside - Prospective Resources up to **106 mmboe**
  - Cashflow - 2P Reserves (producing) 1.8mmbo
  - Resource Plays – the future for gas and coal

\* Assumes 100% for Berenx

# Europa Oil & Gas

## Undeveloped Contingent Resources

### – Berenx Gas Discovery

- **1.5 TCF** GIIP discovered resource
- 100% Europa operated

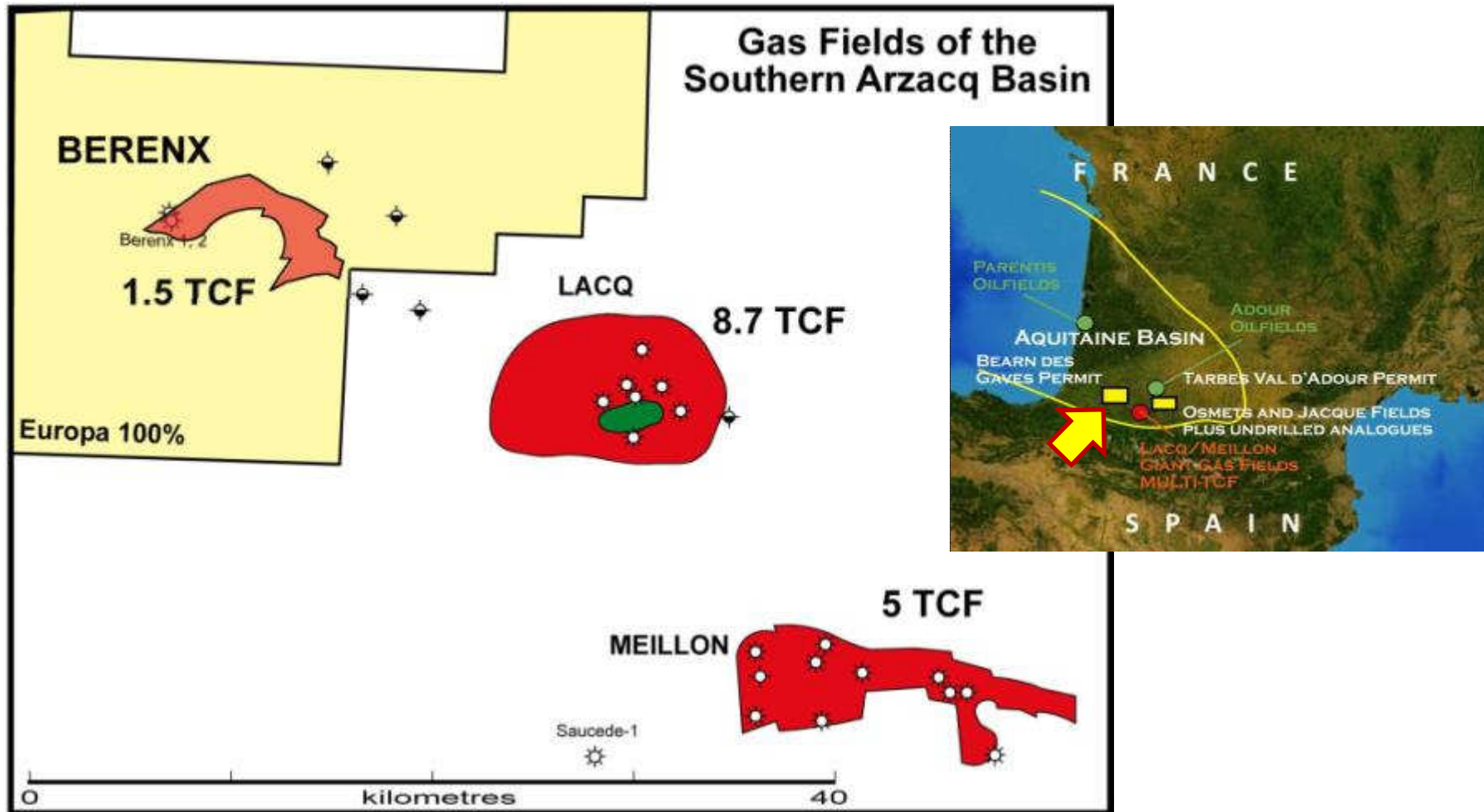
### – Voitinel Gas Discovery

- Up to **415 BCF** gross GIIP discovered resource
- 28.75% working interest

– Total up to **2 TCF** Discovered Gas in Place



# Berenx Gas Discovery Appraisal Project



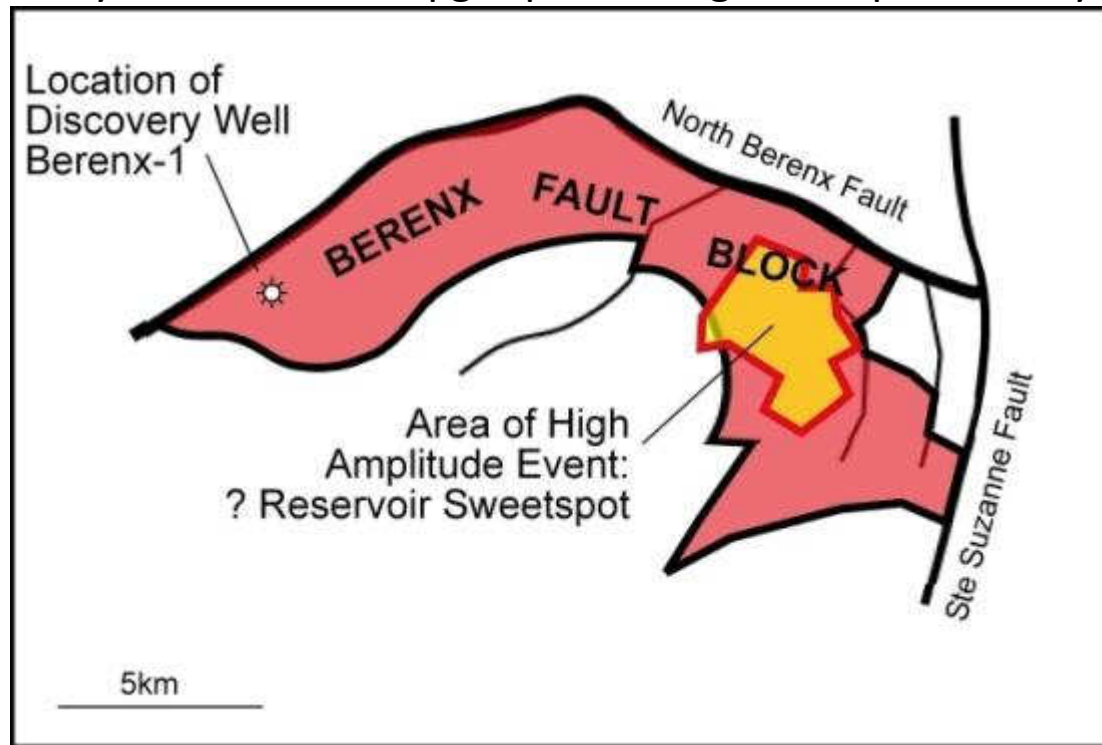
**Undeveloped Discovery in multi-TCF gas fairway**



# Berenx Gas Discovery Appraisal Project

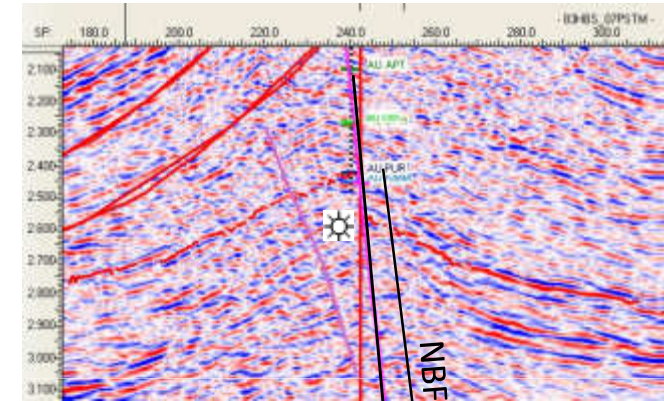
1969 discovery well – 500m gas shows and kicks  
20-25km<sup>2</sup> of structural closure at Top Jurassic  
P50 Gas-in-place **1.5TCF**

Only 20km from Lacq gas processing and export facility



**Forward Plan:** Complete interpretation with new 3D:  
Plan for 2011 well

Seismic line showing Berenx Fault Block and Discovery well

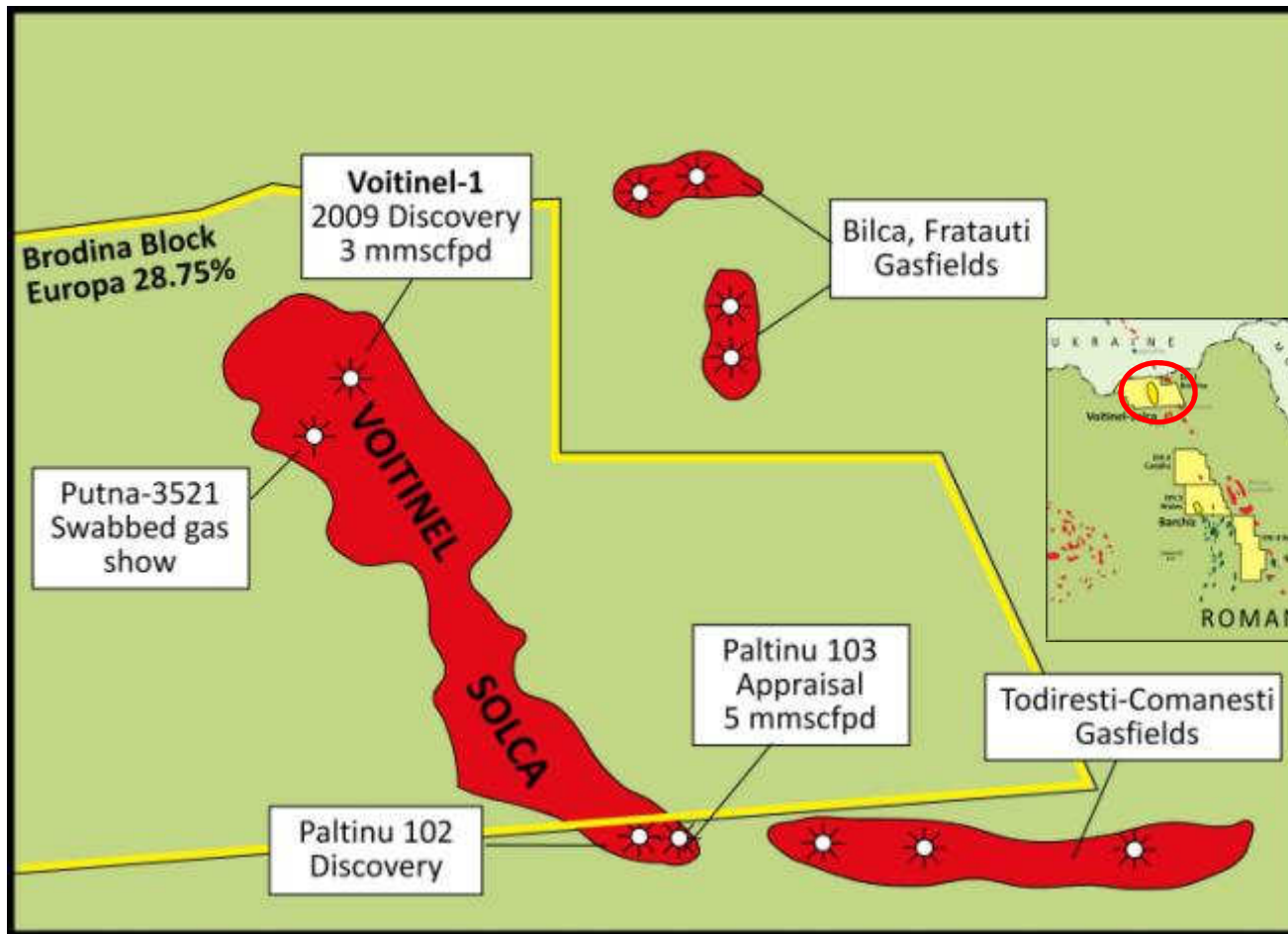


Lacq Gas Processing Facility

**Undeveloped Discovery in multi-TCF gas fairway**



# Voitinel Gas Discovery



**415bcf**  
in upside case for  
Voitinel-Solca

(equivalent to  
**15mmbo**  
**recoverable** net to  
Europa)



**Forward Plan:**

Appraisal well in  
2011

**New Discovery with potential to be a major gas development for Romania**

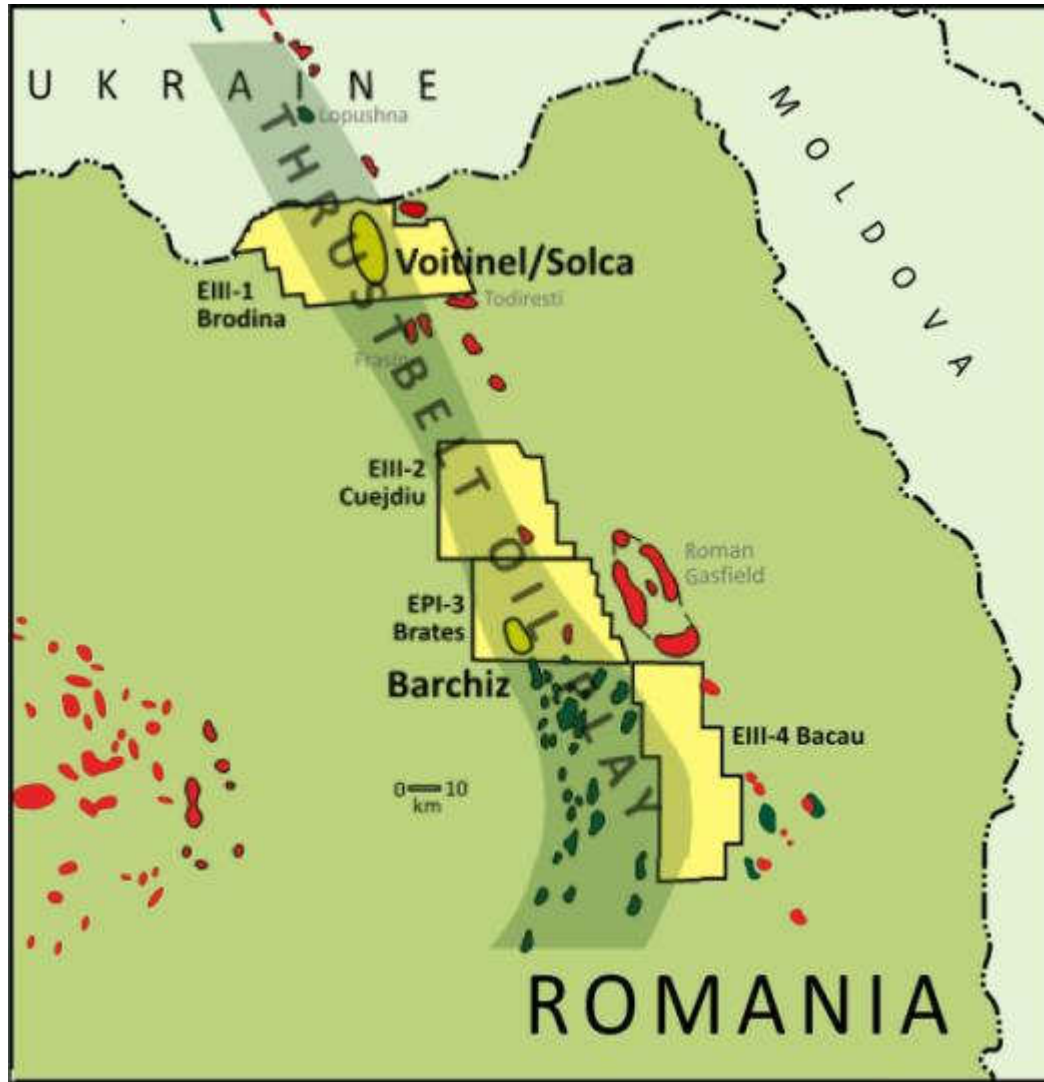
# Europa Oil & Gas

## Exploration Upside

-  – Romanian Carpathians
    - Up to **71 mmbo** net prospective resource
    - Drilling on first oil prospect is imminent
  
  -  – UK Exploration
    - Up to **35mmbo** net prospective resources
    - Contained in three prospects
- Total **106 mmbo** net potential



## Carpathian Oil – Strong presence in prolific play



**Up to 300mmbo reserves potential (71 mmboe net)**

Carpathian oil play new seismic acquisition in 3 blocks in 2010

Three leads identified on 2010 seismic

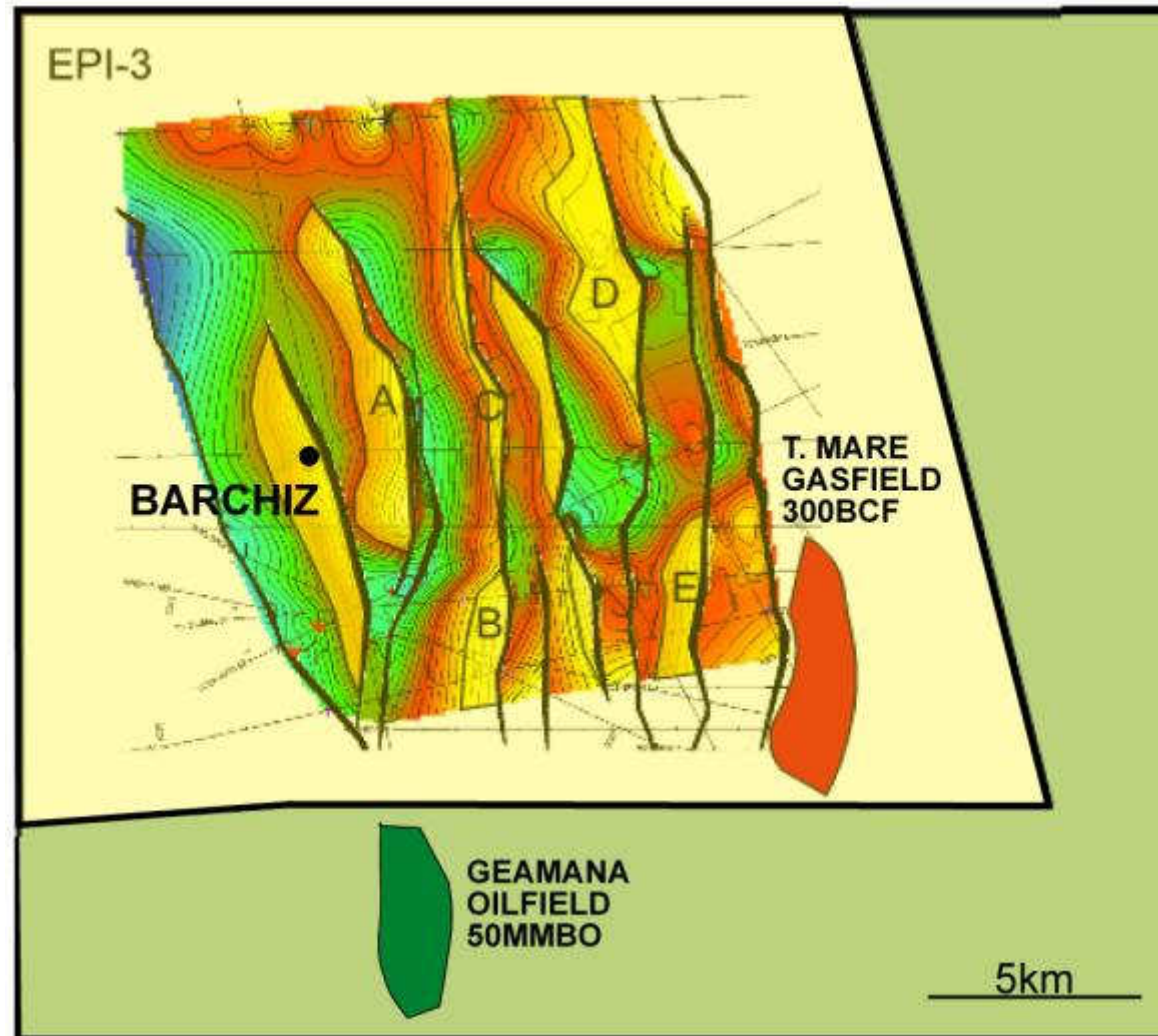
Barchiz will be first prospect drilled in the Carpathian thrustbelt oil play by foreign operator for over a decade

USGS estimate 2.9 bboe remaining, 5 bboe produced to date, in the trend.

**Strong upside potential in oil play**



# Barchiz Exploration Prospect



Barchiz Prospect P10-  
**30mmbo gross** (6mmbo net)

Along trend from 50mmbo  
field

One of six leads and  
prospects identified to date

Total identified play volume  
**in excess of 300mmbo**  
Prospective Resources

## Forward Plan:

Exploration well imminent  
at Barchiz

**Drilling a 30mmbo prospect with 5 'lookalikes'**

# Europa Oil & Gas

## Producing Reserves

### – UK East Midlands

- Recent upgrade of West Firsby to 1.4mmbo 2P reserves
- New drilling to access these reserves
- Workover programme on existing wells



# Production – Reaching the 500bopd Target



Workovers of the following wells:  
Crosby Warren-2  
West Firsby-6

CW2 – opted for the conservative approach - modest rate improvements in phase 1 – planning next phase of work

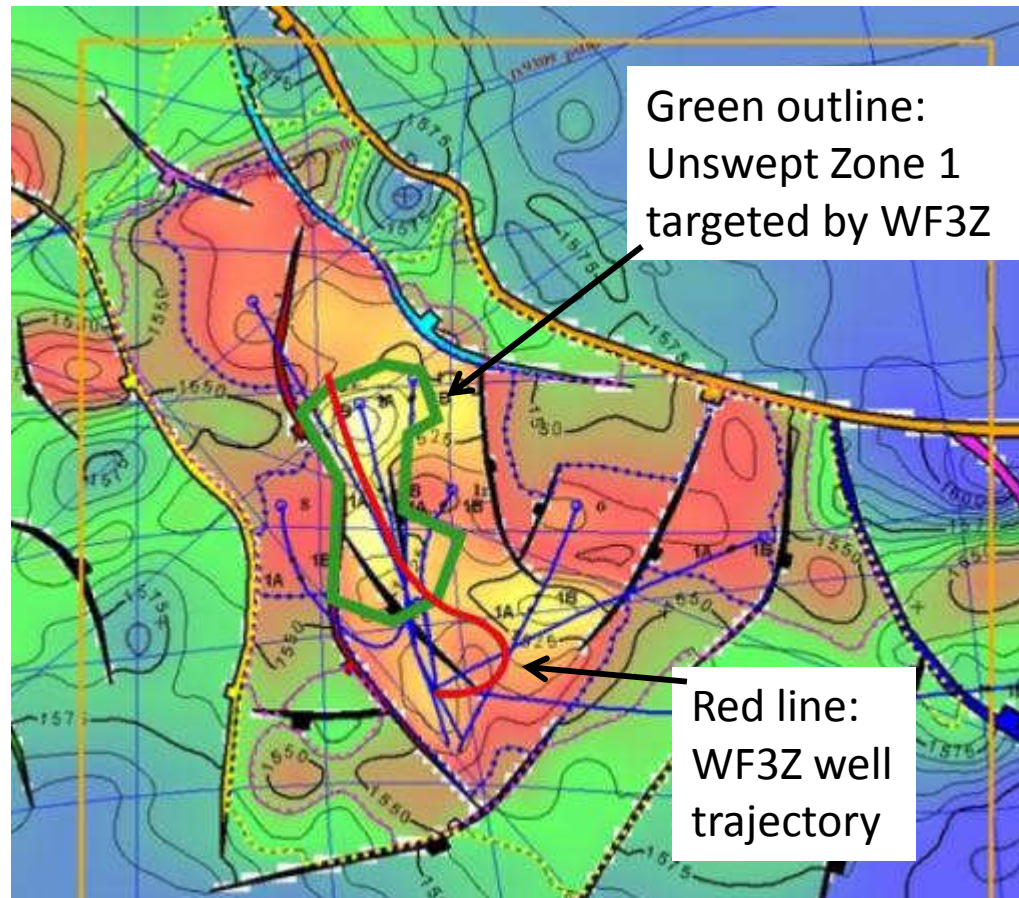
WF6 – workover complete – well shut-in – recover gauges then put on production

New drilling to recover recently identified **additional 1mmbo** Zone 1 reserves in West Firsby

WF topsides improvement due to complete end-October



## West Firsby 3Z – Reaching the 500bopd Target



Top Zone 1 depth map

Revised oil-in-place **20.6mmbo**

Historic recovery in these reservoirs is between 16 and 25%

Zone 1 has only produced 4%

Incremental **1mmbo of reserves** in Zone 1

Reservoir model suggests initial well rate could be 540bopd

Reserves can be produced from 3 new wellbores, first of which is WF3Z

### **Forward Plan:**

Drill WF3Z in 2010 and put on production



# Europa Oil & Gas

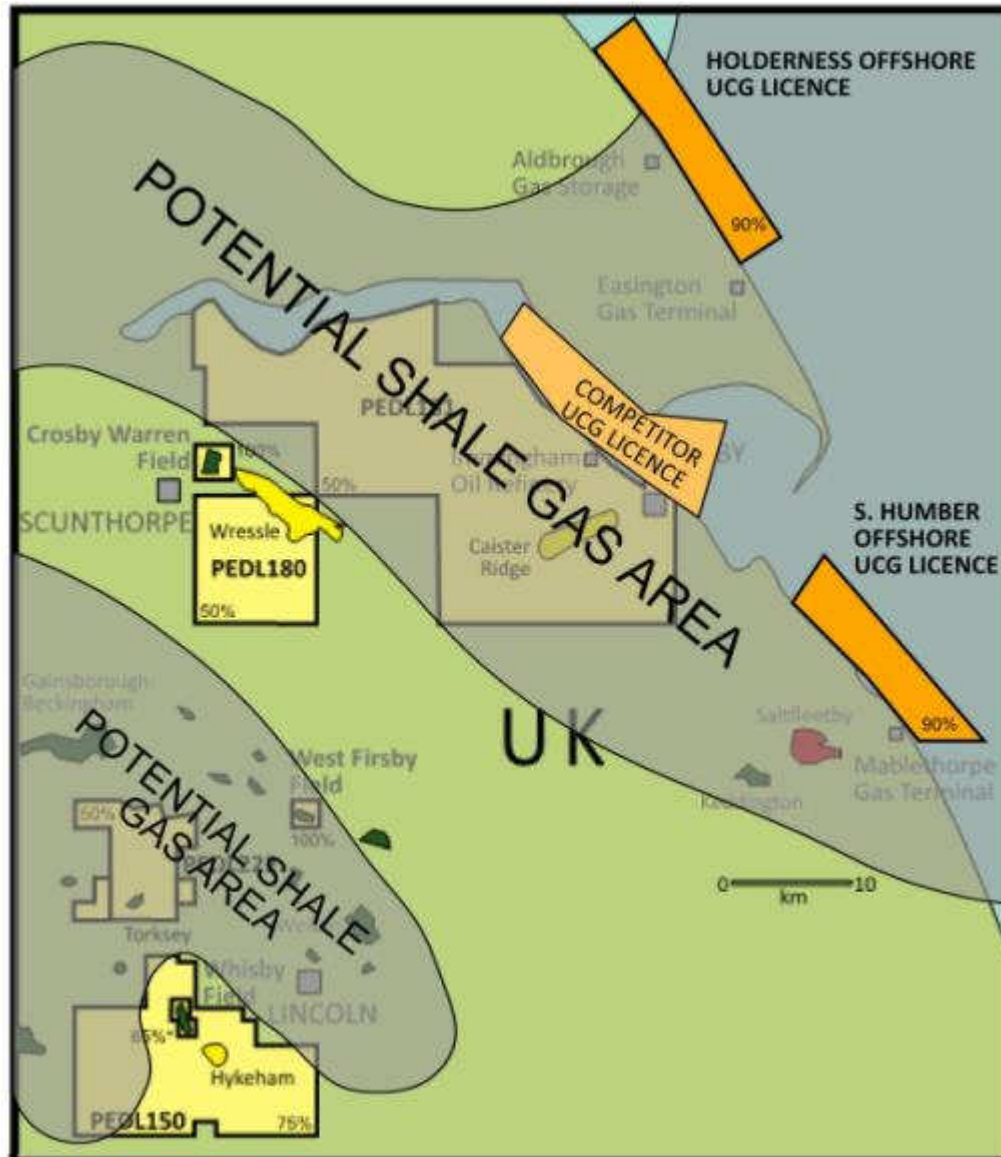
## The Future of Resources

### – UK East Midlands

- Shale Gas Potential in Europa's acreage
- Underground Coal Gasification (UCG) – 2 new licences



## Unconventional Gas – working the portfolio



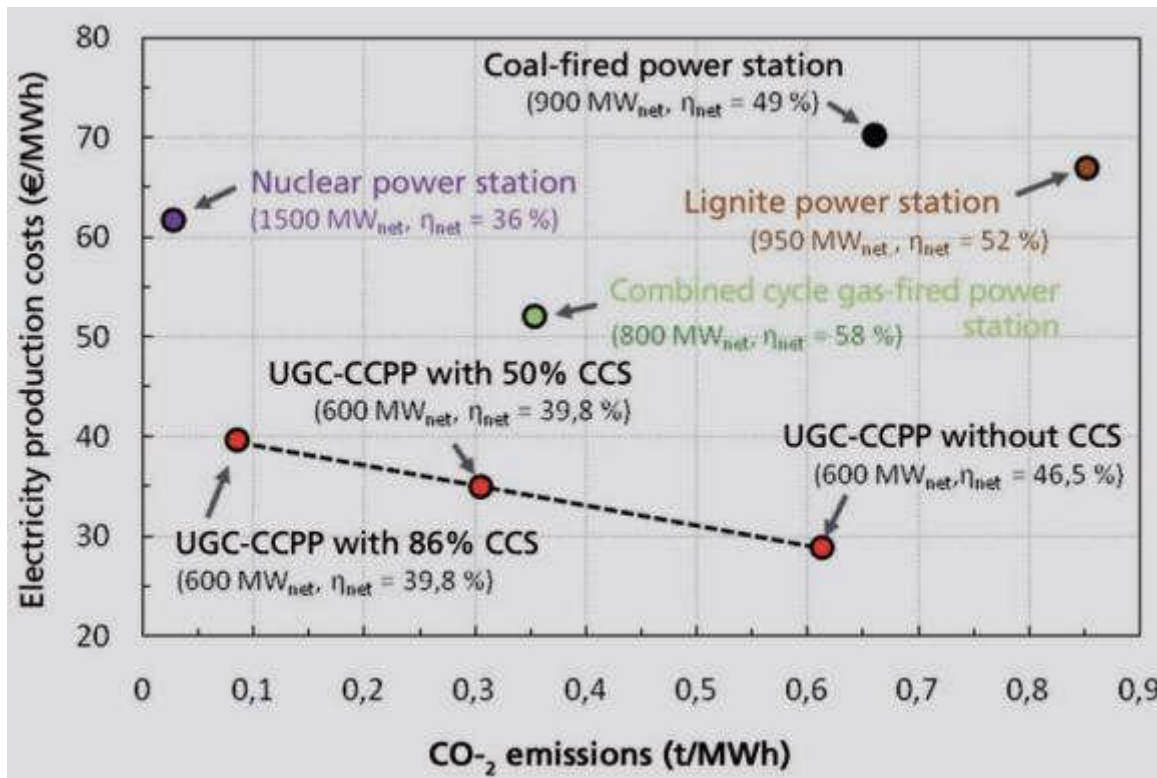
Europa holds existing licence position of over 200,000 gross acres in the East Midlands

Significant shale gas potential in 'Mid-Carboniferous' black marine shales in the deeper basinal areas – proven 120m thick in the region



# Underground Coal Gasification – unlocking Exajoules\*

\* 1 Exajoule can supply a population of 2 million with a year's electricity



Source: Kempka *et al*, 2009

2 New UGC licences awarded to Europa with estimated **6bboe** of energy source

Compares very favourably with other energy sources in terms of cost/MWh and carbon emissions when coupled with CO<sub>2</sub> storage (CCS)

## Forward Plan:

Feasibility study followed by Pilot Production phase



## Reserves and Resources

- Recent Reserves Growth – 125% increase to 1.8mmbo (2P)
  - From West Firsby assessment
- Recent Contingent Resources\* Growth
  - Including Voitinel and Berenx
  - Target now is to mature these to Reserves status

Million barrels of oil equivalent	1C (≈proven)	2C (≈proven+probable)	3C (≈proven+probable+possible)
2009 Position	2	4	25
2010 Target	19	119	300
Current	19	172	350

\* Discovered Resources not yet approved for development



# Activity and Impact Schedule

Activity	Value Impact	Revenue Generator	Risk	Timing
Barchiz Well	High	Medium Term	Moderate	2010
West Firsby-3Z	Moderate	Immediate	Low	2010
Voitinel	Potential Company Maker	Medium Term	Low	2011
Berenx	Company Maker	Longer Term	Moderate	2011
Carpathian Oil Play	High	Medium Term	Mod-High	2011
UK UCG/Shale	Very High	Long Term	Mod-High	2012 onwards



## Europa Oil & Gas

- Summary
  - Excellent balanced spread of assets across 3 EU jurisdictions
  - Appraisal assets are key value drivers for 2011
  - Up to 350mmboe Contingent Resources to mature to Reserves
  - Exploration upside of 106 mmboe kicking off with Barchiz drilling
  - Recent Reserves Growth of 125%
  - Production growth from drilling later in 2010
  - Innovative new venture prospects for 2011 and beyond

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