

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

STANDARD EXPLORATION LICENCE 1/11 BARRYROE, NORTH CELTIC SEA BASIN

- **BINDING BARRYROE FARM-OUT AGREEMENT SIGNED**
- **DRILLING PROGRAMME OF 5 FIRM WELLS AND 2 OPTION WELLS SET TO COMMENCE IN 2019**
- **CASH ADVANCE PAYMENTS OF \$19.5 MILLION TO EXOLA AGREED**

Dublin and London – September 20, 2018 - Providence Resources P.l.c. (PVR LN, PRP ID), the Irish based Oil & Gas Exploration Company (“**Providence**” or the “**Company**”), today provides a commercial update on Standard Exploration Licence (“**SEL**”) 1/11 that contains the Barryroe oil accumulation. SEL 1/11 is operated by EXOLA DAC (“**EXOLA**”, 80%), a wholly-owned Providence subsidiary, on behalf of its partner, Lansdowne Celtic Sea Limited (“**Lansdowne**”, 20%). The area lies in c. 100 metre water depth in the North Celtic Sea Basin and is located c. 50 km off the south coast of Ireland.

Binding Barryroe Farm-Out with APEC

Further to the RNS announcement of March 28, 2018 regarding the signing of a Farm-Out Agreement (“**FOA**”) with APEC Energy Enterprises Limited (“**APEC**”), the Company is pleased to now confirm that, following the completion of all required ancillary documentation and the receipt of both governmental consents, EXOLA, Lansdowne and APEC (collectively referred to as the “**Barryroe Partners**”) have signed an amended and restated Farm-Out Agreement (“**Updated FOA**”) which assigns 50% equity in SEL 1/11 to APEC.

Summary of Updated FOA Terms & Conditions

The Updated FOA provides for a fully cost-carried firm programme comprising of the drilling and testing of four vertical wells and one horizontal sidetrack (collectively the “**Drilling Programme**”), plus the optional drilling of two additional horizontal wells, together with cash advances to EXOLA for certain agreed project and operational costs such as well site survey acquisition totaling \$19.5 million.

Commenting today, Tony O’Reilly, Chief Executive Officer of Providence Resources said:

“We are very pleased to confirm that, having received governmental approval for the assignment of equity in Barryroe to APEC, we have now executed a revised Farm-out Agreement with APEC.

The finalisation of these binding farm-out terms with APEC is transformational for Providence as it delivers a firm and comprehensive drilling programme comprising of four vertical wells and one horizontal sidetrack, cash advances for certain operational costs of \$19.5 million, plus the financing of two further optional wells. Subject to regulatory consents and appropriate arrangements with contractors, we expect mobilisation to commence in Q2 2019. In this regard, we are also pleased to confirm that we have contracted Gardline’s Ocean Observer vessel to carry out the requisite site surveys during Q4 2018.

This drilling programme is a significant step forward for Barryroe as it is designed to provide modern dynamic data that will assist in the field development to production. Importantly, the structure of the farm-out transaction means that Providence has no upfront risk or capital exposure for the drilling programme, whilst also providing a roadmap to take this project, subject to the results of the drilling and subsequent regulatory consents, to project sanction and then on to production.”

As certain operational, financial and commercial terms of the transaction have changed from those previously announced on March 28, 2018, the section below provides the final details of the Updated FOA:

Cash Payments

- With the signing of the Updated FOA, APEC will now proceed with the payment of \$9.0 million to EXOLA for certain agreed front-loaded project related costs;
- A further \$10.5 million payment will be made to EXOLA to cover future operational costs, such payment to be made 14 days prior to the commencement of drilling.

Drilling Programme

- The drilling of four vertical wells allowing for the evaluation of the main Basal Wealden reservoir interval;
- The first well to include the drilling of a sidetrack to provide a 200-metre horizontal reservoir section in the Basal Wealden;
- Drill-stem testing is planned for three of the four vertical wells, as well as the horizontal sidetrack;
- The four vertical wells are located across the geographic extent of the Barryroe structure and are designed to test the full potential of the Basal Wealden;
- Drilling to the underlying Purbeckian and Upper Jurassic section is planned in three of the four wells;
- Planning for the drilling of these wells is already advanced, together with the consenting of the recently contracted Gardline "*Ocean Observer*" vessel to carry out the well site survey operations during Q4 2018, subject to regulatory approval;
- Rig procurement, based on a Q2 2019 mobilisation for the Drilling Programme is also well advanced, as are contract discussions with various oil field service providers;
- At the completion of the Drilling Programme, APEC also has an option to drill, test and complete two further additional horizontal wells to the Basal Wealden reservoir interval ("**Option Wells**");

Financing

- APEC is directly responsible for paying 50% of all cost obligations associated with the Drilling Programme, and the Option Wells (if applicable);
- APEC to finance, by way of a non-recourse loan facility (the "**Loan**"), the remaining 50% of all cost obligations attributable to EXOLA and Lansdowne in respect of the Drilling Programme as well as the Option Wells (if applicable);
- The Loan, drawable against the budget for the Drilling Programme, will incur an annual interest rate of LIBOR +5% and will be repayable from production cashflow from SEL 1/11 with APEC being entitled to 80% of production cashflow from SEL 1/11 until the Loan is repaid in full;
- Following repayment of the Loan, APEC will be entitled to 50% of production cashflow from SEL 1/11 with EXOLA and Lansdowne being entitled to 40% and 10% of production cashflow, respectively;
- The 4.5% Net profits Interest, held by San Leon Plc, has not been assigned to APEC and so remains the obligation of EXOLA.

Operations

- EXOLA will remain as Operator of SEL 1/11 for the execution of the Drilling Programme;
- Following completion of the Drilling Programme, APEC will have the right to become Operator for the development/production phase (subject to Ministerial consent).

Working Interest

- Following governmental approval for the assignment of equity to APEC, the revised working interest will be APEC (50%), EXOLA (40%), and Lansdowne (10%), with EXOLA retaining the role of Operator of SEL 1/11.

Warrants

- Upon completion of the Drilling Programme, APEC will be able to subscribe for warrants over 59.2 million shares in Providence at a strike price of £0.12 per share (the “Warrants”).
- The Warrants, representing circa 9.9% of the current issued share capital of Providence, are exercisable for a period of 6 months following the completion of the Drilling Programme

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ANNOUNCEMENT

This announcement has been reviewed by Dr John O’Sullivan, Technical Director, Providence Resources P.I.c. John is a geology graduate of University College, Cork and holds a Masters in Applied Geophysics from the National University of Ireland, Galway. He also holds a Masters in Technology Management from the Smurfit Graduate School of Business at University College Dublin and a doctorate in Geology from Trinity College Dublin. John is a Chartered Geologist and a Fellow of the Geological Society of London. He is also a member of the Petroleum Exploration Society of Great Britain, the Society of Petroleum Engineers and the Geophysical Association of Ireland. John has more than 25 years of experience in the oil and gas exploration and production industry having previously worked with both Mobil and Marathon Oil. John is a qualified person as defined in the guidance note for Mining Oil & Gas Companies, March 2006 of the London Stock Exchange. Definitions in this press release are consistent with SPE guidelines. SPE/WPC/AAPG/SPEE Petroleum Resource Management System 2007 has been used in preparing this announcement.

ABOUT PROVIDENCE RESOURCES

Providence Resources is an Irish based Oil & Gas Exploration Company with a portfolio of appraisal and exploration assets located offshore Ireland. Providence’s shares are quoted on the AIM in London and the ESM in Dublin. Further information on Providence can be found on www.providenceresources.com

ABOUT APEC

APEC Energy Enterprise Ltd. was established in 2014 as a Hong Kong registered company with headquarters in Beijing. In addition to its original focus on offshore oil & gas services, APEC provides upstream energy acquisition advice and management services in partnership with Chinese Oil Companies, offshore and onshore service providers, and SOE investment groups. www.apecenergy.com. In 2017, APEC established a strategic partnership with COSL and JIC for the investment and development of offshore oil and gas opportunities worldwide, utilising Chinese infrastructure and equipment (most notably Chinese offshore drilling units/vessels) to earn equity positions in projects.

ABOUT LANSDOWNE

Lansdowne Oil & Gas (LOGP.LN) is a North Celtic Sea focussed oil and gas exploration company quoted on the AIM market and headquartered in Dublin. Lansdowne holds acreage in the north Celtic Sea Basin, Ireland. For more information on Lansdowne, please refer to www.lansdowneoilandgas.com