

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Operational Update

Frontier Exploration Licence 2/14 - Druid

Southern Porcupine Basin

- **Invitation to tender (“ITT”) issued for the provision of a deep-water drilling unit**
- **Druid well design to allow for optional penetration of underlying Drombeg prospect**
- **Planned spud date for Druid well is June 2017**

Dublin and London – September 15, 2016 - Providence Resources P.l.c. (PVR LN, PRP ID), the Irish based Oil and Gas Exploration Company, today provides an operational update on Frontier Exploration Licence (“FEL”) 2/14, which lies in c. 2,250 metre water depth in the southern Porcupine Basin and is located c. 220 kilometres off the south west coast of Ireland. The licence is operated by Providence Resources P.l.c. (“Providence”) (80%) on behalf of its partner Sosina Exploration Limited (“Sosina”) (20%), collectively referred to the “Druid Partners”. FEL 2/14 contains the Paleocene “Druid” and the Lower Cretaceous “Drombeg” exploration prospects.

Issuance of Rig ITT

Further to the RNS of August 31, 2016, confirming the Druid Partners’ appointment of Senergy Wells Limited (a wholly owned subsidiary of Lloyds Register) to provide integrated well management services for the planned 2017 Druid drilling programme, an invitation to tender for the rig contract has now formally been issued to the market. It is expected that the rig contract will be signed during Q4 2016 to facilitate summer 2017 drilling.

Well Engineering & Design

The detailed well engineering and design for the 2017 Druid exploration well is continuing with the well currently being designed to TD at a depth of c. 4,200 metres true vertical depth subsea (“TVDSS”), which allows for a full evaluation of the resource potential of the Paleocene Druid exploration prospect. The well is also being designed to allow for a potential deepening of the well to encounter the underlying vertically stacked Lower Cretaceous Drombeg prospect at c. 5,200 m TVDSS. This deepening could occur should the Druid exploration well be drilled significantly within the current budget and/or if a third party farminee were to provide additional capital to the project.

Well Cost Estimate

As disclosed by RNS on August 31, 2016, the latest gross (100%) well cost for the Druid exploration well is now estimated at c. \$35 million, which compares to the previous estimate of \$46 million. Based on the latest market intelligence, the additional cost for the deepening of the well to penetrate the Drombeg prospect amounts to c. \$15 million.

Farm-out Process

As disclosed by RNS on March 11 2016, the Company launched a farm out process in March 2016 with physical data-rooms commencing in late May 2016. The successful financial restructuring of the business with the provision of specific capital to undertake the Druid drilling operations, together with the substantially lower costs, has allowed the Druid Partners to move forward with the planned drilling operations. Noting the significant interest shown in the recent Atlantic Licensing Round, the Druid Partners are continuing this farm-out process which has garnered very good industry interest.

Project Timeline

In addition to the preparation and issuance of the ITT for the rig, other service contracts are now being prepared for the planned Druid drilling operations. Based on the latest project timeline and, subject to standard regulatory consents, the 53/6-A Druid exploration well is currently expected to spud in June 2017.

Speaking today, Tony O'Reilly, Chief Executive of Providence said:

"Thanks to the support of our shareholders, plus the substantially lower forecast cost profile, we are making solid progress with our planned drilling operations in FEL 2/14 for summer 2017. As previously stated, our base case programme continues to be a test of the c. 3 BBO resource potential of the Druid exploration prospect. We are, however, also engineering the planned well to allow for the penetration of the underlying c. 1.9 BBO Drombeg exploration prospect should the opportunity arise."

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ABOUT PROVIDENCE RESOURCES

Providence Resources is an Irish based Oil and Gas Exploration Company with a portfolio of appraisal and exploration assets located offshore Ireland. Providence's shares are quoted on AIM in London and the ESM in Dublin.

ABOUT DRUID

During the initial pre-FEL 2/14 authorisation phase (Licensing Option 11/9 - 2011 through 2013), Providence and Sosina identified two large vertically stacked Paleocene ('Druid') and Lower Cretaceous ('Drombeg') fan systems with notable Class II amplitude versus offset ("**AVO**") anomalies primarily from 2D seismic data acquired in 2008. Providence and Sosina subsequently agreed to underwrite a multi-client 3D seismic survey over the area. This 3D survey was acquired by Polarcus in the summer of 2014 and subsequently processed by ION Geophysical in 2014/15.

In September 2015, the Company entered into a Strategic Exploration Collaboration Project with Schlumberger.

In April 2016, the Company published the main results of this Project relating to Druid:

- Two fans located c. 1,750 m BML and structurally up-dip from a potential significant fluid escape feature from the underlying pre-Cretaceous Diablo Ridge
- Cumulative in-place un-risked prospective resources of 3.180 BBO (PMean)
 - Fan 1 – 984 MMBO (PMean)
 - Fan 2 – 2,196 MMBO (PMean)
- Pre-stack seismic inversion and regional rock physics analysis shows Druid is consistent with a highly porous (30%) and high net-gross, light oil-filled sandstone reservoir system up to 85 metres thick
- A depth conformant Class II AVO anomaly is present and synthetic forward modelling of an oil-water contact correlates with the observed seismic response
- Spectral decomposition, seismic compactional drape and mounding are reflective of a large sand-rich submarine fan system with no significant internal faulting and clear demonstration of an up-dip trap mechanism
- Geo-mechanical analysis using regional well and high resolution seismic velocity data indicates that Druid is normally pressured and the top seal is intact

ANNOUNCEMENT

This announcement has been reviewed by Dr John O’Sullivan, Technical Director, Providence Resources P.l.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.

MAP OF DRUID

