

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Providence Resources P.I.c
TRADING UPDATE
LEADERSHIP IN DRILLING OFFSHORE IRELAND

- **TOTAL EXERCISES OPTION TO FARM-IN TO 35% OF FEL 2/14 (DRUID/DROMBEG/DIABLO)**
- **CAIRN OPTION TO ACQUIRE 20% OF LO 16/27 LAPSES (AVALON)**
- **PERIOD OF EXCLUSIVITY GRANTED TO POTENTIAL FARMINEE ON SEL 1/11 (BARRYROE)**

Dublin and London – December 28, 2017 - Providence Resources P.I.c. (PVR LN, PRP ID), the Irish based Oil & Gas Exploration Company, today provides a trading update on its activities through the end of 2017.

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

"2017 has been a significant year for Providence both commercially and operationally with our main focus comprising the planning, consenting and drilling of the 53/6-1 Druid/Drombeg exploration well. The Cairn farm-in and TOTAL option over FEL 2/14 were pivotal commercial transactions that allowed us deliver on our core stated objective from our 2016 fundraising by securing incremental (>US\$45 million) capital to evaluate the deeper Drombeg prospect alongside the planned drilling of Druid, whilst also providing surplus cash which is now being partially deployed to the Barryroe project. These commercial transactions have continued to evolve with TOTAL now exercising its option to farm-in for a 35% interest and operatorship in FEL 2/14, subject to the approval of the Minister of State at the Department of Communications, Climate Action and Environment, thereby leaving Providence with a 28% interest in FEL 2/14.

Coupled with these two farm-outs at FEL 2/14, we concluded a number of commercial transactions on our recently awarded (2016) LO 16/27, which contains the Avalon prospect. In June, TOTAL farmed-in for a 50% interest and assumed operatorship of LO 16/27, whilst Cairn also secured an option to take a 20% interest, which has now lapsed. Providence now retains a 40% interest in LO 16/27.

In tandem with the Druid/Drombeg well operations, we also began various work-scopes for the planned drilling of the 48/24-K Barryroe appraisal well. These work-scopes include well planning and consenting, together with the preparation of the Invitation to Tender ("ITT") for the procurement of a drilling unit, which we plan to issue in early Q1 2018. In parallel, the Company has continued to engage with interested co-venture partners and earlier this month, having reached provisional agreement on key commercial terms with a potential farminee, we have granted a period of exclusivity to them in order to conclude contractual negotiations which, if successful, would deliver a multi-well programme at Barryroe. However, given its conditional nature and subjectivity to final contracts, no specific commercial details are being released at this time. Shareholders should note that there is no certainty that this farm-in will be concluded and further announcements will be issued in due course and as appropriate.

Elsewhere in the portfolio, the impetus being shown by the ENI-led FEL 3/04 (Dunquin) partnership was best demonstrated by the JV's accelerated decision to license a new 3D seismic data-set over the area. It is hoped that these new data will help differentiate between the "breached" Dunquin North structure and the potentially sealed Dunquin South exploration prospect. Finally, as announced at the Atlantic Ireland conference in Dublin in October, we have committed to a pre-drill site survey in 2018 over our Newgrange prospect in FEL 6/14, where we hold an operated 80% interest and which is also the subject of significant commercial interest.

OPERATIONAL HIGHLIGHTS

APPRAISAL

- **BARRYROE, North Celtic Sea Basin (SEL 1/11)**
 - Farm-out discussions continue
 - Period of exclusivity granted to a potential farminee
 - Extension to the 1st phase of SEL 1/11 to July 2019 and overall license extension of 2 years to July 2021
 - New 3D seismic uplift provides significantly enhanced visualisation of Barryroe reservoir interval
 - Planning and consenting underway for 48/24-K well and sidetrack
 - Well location agreed by JV
 - Rig procurement process underway
 - Project Manager appointed
- **HELVICK & DUNMORE, North Celtic Sea Basin (LU)**
 - Awarded Lease Undertakings
 - Assigned 10% equity in Helvick to MFDevCo and 10% equity to Lansdowne
 - Assigned 10% equity in Dunmore to MFDevCo

EXPLORATION

- **DRUID/DROMBEG/DIABLO, Southern Porcupine Basin (FEL 2/14)**
 - Consenting and drilling of the 53/6-1 exploration well
 - First well to be consented under the new Irish Petroleum (Exploration and Extraction) Safety Act 2015
 - Deepest water depth for any exploration well ever drilled offshore North-West Europe
 - No Lost Time Incidents (“LTI’s”)
 - Paleocene Druid Target
 - Reservoir interval encountered within the pre-drill depth prognosis, but was water bearing
 - Lower Cretaceous Drombeg Target
 - Reservoir interval encountered within the pre-drill depth prognosis, but was water bearing
 - 53/6-1 exploration well plugged and abandoned in accordance with pre-drill plan
 - Post-well data analysis ongoing
- **Cairn Farm-in to 30% of FEL 2/14**
 - Capricorn Ireland Limited (“Capricorn”), a wholly owned subsidiary of Cairn Energy PLC (“Cairn”) paid 45% (US\$18.9 million) of 53/6-1 well costs, subject to a gross well cap of US\$42 million, and thereafter at 30% cost share
 - Capricorn made a cash payment of US\$2.82 million on a pro-rata 80/20 basis to Providence and Sosina
 - Capricorn also agreed methodology for a contingency appraisal well carry on a 1.33 to 1 promote basis, subject to US\$42 million gross well cap
- **TOTAL Option and Election to Farm-in to 35% of FEL 2/14**
 - Option agreed with TOTAL E&P Ireland B.V. (“TOTAL”), a wholly owned subsidiary of TOTAL S.A., giving TOTAL the right (but not the obligation) to take a 35% working interest, via agreed farm-in
 - TOTAL paid US\$27 million to Providence & Sosina (US\$21.6 million & US\$5.4 million, respectively)
 - TOTAL has now exercised Option to farm-in for 35% working interest and assume Operatorship
 - Farm-in and assumption of operatorship is subject to the approval by the Minister of State at the of Communications, Climate Action and Environment

- **AVALON, Southern Porcupine Basin (LO 16/27)**

- **Technical work**

- Generated calibrated Petroleum Systems Model (PSM c.48,000 km²), which supports the potential of a working petroleum system in LO 16/27
 - Model demonstrated that Avalon could potentially access a total hydrocarbon resource charge of c. 8.67 BBO and c. 21.43 TSCF (equivalent to c. 12 BBOE)

- **TOTAL Farm-In to 50% of LO 16/27**

- Agreement with TOTAL E&P Ireland B.V. (“TOTAL”), a wholly owned subsidiary of TOTAL S.A., to farm-in for 50% interest and Operatorship
 - TOTAL paid pro-rata share of past gross costs of c. US\$0.175 million, and in addition to its pro-rata share, pay 21.4% of the past and future costs during the 2-year term of LO 16/27, subject to a gross cost cap of US\$1.33 million
 - In the event that the JV partners agree to convert LO 16/27 into a Frontier Exploration License, and a subsequent decision is taken to drill an exploration well, TOTAL will pay 60% of the drilling costs, subject to a gross well cap of US\$ 42 million
- Ministerial consent given to farm-in and transfer of Operatorship in October 2017

- **Cairn Option to Farm-in to 20% of LO 16/27**

- Capricorn Ireland Limited (“Capricorn”), a wholly owned subsidiary of Cairn Energy PLC (“Cairn”), granted Option to farm-in for 20% interest, such Option declarable post the completion of the 53/6-1 well operations
- Option lapsed in December 2017

- **DUNQUIN SOUTH, Southern Porcupine Basin (FEL 3/04)**

- Dunquin North post-well technical studies continued
 - Evidence of more significant residual oil in Dunquin North well
- ENI assumed Operatorship following withdrawal of XOM
 - Providence equity increased to 26.846% following PAD consent to assignment of XOM equity and closing of Atlantic farm-in
- Licensed 1,800 km² of 3D seismic data from CGG as part of their Porcupine Basin multi-client 3D acquisition programme (acquired in June 2017)

- **KISH, Kish Bank Basin (SEL 2/11)**

- **Ministerial consent granted to extend** the 1st phase of SEL2/11 to August 2018 and an overall extension of one year to the license term to August 2020

- **NEWGRANGE, Goban Spur Basin (FEL 6/14)**

- Prepared scope for 2018 site survey and future drilling
- Farm-out process ongoing

BOARD CHANGES

- In May 2017, Angus McCoss joined the Board as a Non-Executive Director

INVESTOR ENQUIRIES**Providence Resources P.l.c.**

Tony O'Reilly, Chief Executive Officer

Tel: +353 1 219 4074

Cenkos Securities plc

Neil McDonald/Derrick Lee

Tel: +44 131 220 9771

J&E Davy

Anthony Farrell

Tel: +353 1 679 6363

MEDIA ENQUIRIES**Powerscourt**

Peter Ogden

Tel: +44 207 250 1446

Murray Consultants

Pauline McAlester

Tel: +353 1 498 0300

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.

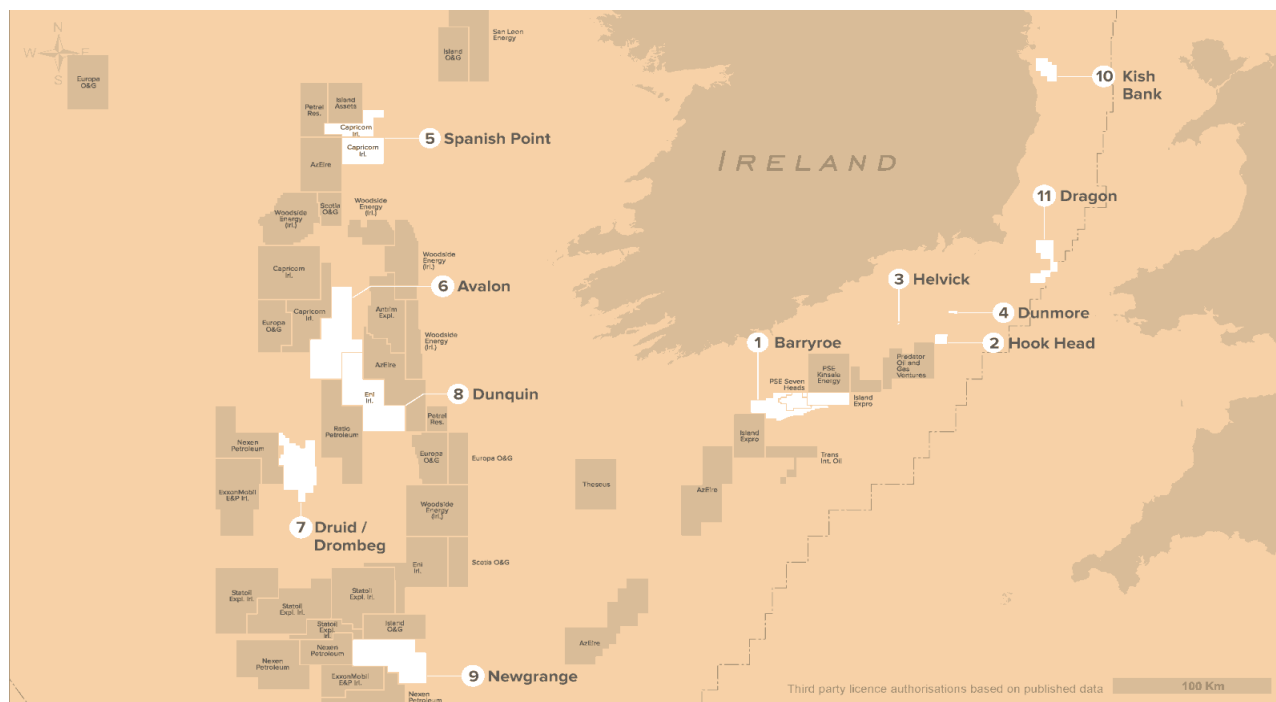
ANNOUNCEMENT

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 (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.

SUMMARY OF LICENCE INTERESTS

Ref	Licence	Issued	Key Asset	Operator	Providence Partners	PVR %	Classification
NORTH CELTIC SEA BASIN							
1	SEL 1/11	2011	BARRYROE	Providence (Exola)	Lansdowne	80.0	Oil & gas discovery
2	SEL 2/07	2007	HOOK HEAD	Providence	Atlantic; Sosina	72.5	Oil & gas discovery
3	LU	2016	HELVICK	Providence	Atlantic; Sosina; Lansdowne; MFDC	56.3	Oil & gas discovery
4	LU	2016	DUNMORE	Providence	Atlantic; Sosina; MFDC	65.3	Oil discovery
NORTHERN PORCUPINE BASIN							
5	FEL 2/04	2004	SPANISH POINT	Cairn (Capricorn Ireland)	Cairn; Sosina	58.0	Oil & gas discoveries
5	FEL 4/08	2008	SPANISH POINT NTH	Cairn (Capricorn Ireland)	Cairn; Sosina	58.0	Oil & gas exploration
SOUTHERN PORCUPINE BASIN							
6	LO 16/27	2016	AVALON	TOTAL	Sosina	40.0	Oil & gas exploration
7	FEL 2/14	2014	DRUID, DROMBEG & DIABLO	TOTAL ¹	TOTAL, Cairn; Sosina	28.0	Oil & gas exploration
8	FEL 3/04	2014	DUNQUIN	Eni	Eni; Repsol; Sosina	26.8	Oil exploration
GOBAN SPUR BASIN							
9	FEL 6/14	2014	NEWGRANGE	Providence	Sosina	80.0	Oil & gas exploration
KISH BANK BASIN							
10	SEL 2/11	2011	KISH BANK	Providence		100.0	Oil & gas exploration
ST GEORGE'S CHANNEL BASIN							
11	SEL 1/07	2007	DRAGON	Providence		100.0	Oil & Gas exploration

MAP OF LICENCE INTERESTS



¹ Operatorship and assignment of interest subject to Ministerial Consent