

COURT OF APPEAL RULING ISSUED

Dublin and London – April 13, 2016 - Providence Resources P.I.c. (PVR LN, PRP ID), the Irish based Oil and Gas Exploration Company, provides notification regarding the litigation between Providence and Transocean Drilling U.K. Limited ("Transocean"), a subsidiary of Transocean Ltd.

The case relates to certain costs claimed by Transocean against Providence regarding the use of the semi-submersible drilling unit, the Arctic III, in 2011/12 on Providence's Barryroe oilfield, offshore Ireland. The total claim, which was made by Transocean in 2012, amounted to approximately US\$19 million. Providence, in defence of its position, counterclaimed against Transocean. The Hon. Mr Justice Popplewell, in his judgment of 19 December 2014 in the Commercial Court in London, found that Transocean was in breach of contract for failing to maintain various parts of its sub-sea equipment and that Transocean was not, therefore, entitled to certain amounts reflecting Transocean's own day rate remuneration.

As previously disclosed, Transocean sought and was granted the right to appeal one aspect of Mr Justice Popplewell's judgment, which specifically related to whether Providence was entitled to set off certain spread costs against Transocean's claim. The appeal of this aspect of the judgment turned on the Court of Appeal's interpretation of the wording of the consequential loss clause in the rig contract (Mr. Justice Popplewell had found that Providence was entitled to set off certain spread costs). The appeal was heard in March 2016.

In a judgment handed down today, 13 April 2016, the Court of Appeal has granted Transocean's appeal on the set off point. All other aspects of Mr Justice Popplewell's judgment remain in force, including the finding that Transocean was in breach of contract.

Providence estimates the financial implications of the Court of Appeal's judgment will result in the payment of approximately US\$7 million (excluding interest and costs) to Transocean. The parties and their legal advisors are currently in the process of agreeing the final amount payable to Transocean (together with any costs and interest thereon) and the terms of payment. Accordingly, at this time the Company cannot confirm the final amount payable to Transocean, nor the terms or timing of such payment. Pending clarification of such matters, and having regard to the Company's existing financial resources, the Company has requested the continued suspension of its shares from trading on AIM and ESM.

In the meantime, the Company is in active discussions with its financial advisors and current debt provider with the objective of ensuring that the Company has the appropriate financial resources to satisfy its obligations to Transocean.

As outlined in note 24c of the Group's Consolidated Financial Statements, no provision for the appeal was recorded in the Financial Accounts for the year ending 31 December 2014. On the basis of this issued judgment, Providence will now make a provision for its net amount in its Financial Accounts for the year ending 31 December 2015.

Further updates will be issued in due course.

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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 and the UK. Providence's shares are quoted on AIM in London and the ESM in Dublin.

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.