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MARKET UPDATE ANNUAL GENERAL MEETING

At Providence Resources Plc's ("Providence" or the "Company") Annual General Meeting held this morning in Dublin, shareholders received a comprehensive update on the Company's activities and on its future plans - the key highlights of which included:

PRODUCTION

Production rose by 28% in 2009 to 557,927 BOE (2008: 433,625 BOE). These volumes were primarily lifted by the successful Singleton X-10 development well, which increased Singleton oil production by c. 50%, together with well recompletion activities at VR 60 and first gas from the GAA-155, both situated in the US Gulf of Mexico.

Looking ahead, the Company is planning a two well drilling programme for the Singleton field, onshore UK, which is expected to increase production rates by over 200 BOPD. The Company is also progressing a number of other production enhancing initiatives including frac'ing and is currently implementing a gas to wire project. In the Gulf of Mexico, a number of well re-completion activities are planned at the MPI9 and HI A-268 fields.

APPRAISAL/DEVELOPMENT

Significant progress has been achieved in advancing the company's portfolio of appraisal and development assets during the reporting period, including:

Spanish Point/Burren, Offshore Ireland (56% interest)

A 3D seismic survey was acquired over the Spanish Point and Burren gas and oil discoveries off the west coast of Ireland. These new 3D data are of excellent quality and confirm the potential for further reservoir development above those tested by the 35/8-2 Spanish Point discovery well within the existing hydrocarbon bearing block. In addition, the data have provided a significant improvement in the imaging of the overlying Burren oil discovery, which should allow the partnership to more fully assess its full commercial potential. Final seismic interpretation and mapping is currently ongoing, the results of which will be released to the market in the near future. These data will be used as the basis for future appraisal well planning as well as any third party commercial discussions.

Dragon Field (Irish sector), Offshore Ireland (100% interest)

The latest mapping of the Dragon gas field situated in the St George's Channel Basin has confirmed an in place resource potential of c. 100 BSCF, of which c. 25% of the field is located in Providence operated SEL 1/07. Providence is planning to drill an appraisal well on the Dragon field during 2011 and has commenced discussions with rig operators.

Baxter's Copse, Onshore UK (50% interest)

The Baxter's Copse oil discovery is located onshore UK, adjacent to the Company's operated Singleton oil production facility. Providence operates the acreage with partner Northern Petroleum. A recent resource assessment by RPS Energy indicates that the Baxter's Copse oil field contains an in-place resource potential of up to c. 15 MMBO. The partners are currently planning to develop the field in 2011 using an initial extended reach development well to be drilled from the Singleton pad. Subsequent wells will be drilled based on the initial field production data.

AJE Field, Offshore Nigeria (6.7% interest)

During 2009, Providence confirmed that it's AJE Field in OML113, offshore western Nigeria, had been deemed a commercial discovery. Accordingly, the partners instructed Chevron, the technical advisor to the Operator, to prepare a field plan of development. This work is currently ongoing.

EXPLORATION

Dunquin Prospect, Ireland (16% interest)

The Dunquin exploration prospect is located in the South Porcupine Basin, offshore Ireland. The prospect is operated by ExxonMobil Exploration and Production (Offshore) Ireland Limited and has associated P50 & P10 prospective recoverable resources of c. 1.7 BBOE & c. 3.7 BBOE, respectively. Over the past year, a number of notable events occurred which include the 40% farm-in by ENI and the confirmation that an exploration well will be drilled. In that regard, an agreed well location has now been finalised.

Dalkey Island Prospect, Ireland (50% interest)

In April 2010, the Company identified the Dalkey Island structure, offshore Dublin, as a significant undrilled oil exploration prospect with an in-place resource potential of c. 870 MMBO. The Company has begun discussions with rig operators to source a suitable unit for a drilling campaign in 2010/11.

Orpheus Prospect, Ireland (100% interest)

The Orpheus exploration prospect lies beneath the Dragon gas field which straddles the Irish/UK Median Line. As part of the Dragon appraisal well, the deeper Orpheus prospect, with an estimated volume of c. 290 BSCF, will also be drilled.

EXOLA

In early 2010, Providence established EXOLA, a Special Purpose Vehicle (SPV) focussed on the appraisal and development of heavy and unconventional oil offshore Ireland. This new entity manages a number of Providence assets, where there have been a number of key developments recently, including:

Helvick Unmanned Production Buoy Project (72.5% interest)

In May 2010, the Company announced it had entered into an agreement with Unmanned Production Buoy Limited to assess the development feasibility of utilising its technology on the Helvick Field offshore Ireland. The in place resource potential of the Helvick field is c. 10 MMBO and there are currently three wells available for re-entry on the field. A successful outcome from this study could result in a fast-track approach to first oil from Helvick.

Baltimore Heavy Oil Project (60% interest)

In February, the Company was awarded a Licensing Option over the Baltimore heavy oil discovery off the south coast of Ireland. The Baltimore discovery is estimated to contain up to c. 300 MMBO in place and similar accumulations are currently being actively assessed for development in the UK North Sea. In April, the company announced that it had successfully farmed out a 40% interest in the project to Nautical Petroleum, who is an offshore heavy oil player in the North Sea. As part of the farm-in agreement, Nautical has agreed to carry out a development assessment study of the Baltimore discovery.

Ardmore Heavy Oil Project (72.5% interest)

In May 2010, the Company announced that it had completed a resource assessment of the heavy oil potential of the Ardmore field, offshore southern Ireland. This work indicated an in-place resource potential of up to c. 230 MMBO. Providence and its co-venture partners are currently seeking an industry heavy oil partner to joint venture on this project.

EIRGAS

EIRGAS is currently a 100% owned SPV focussed on the development of gas storage and carbon capture and sequestration (CCS) opportunities. Whilst the Company withdrew from its Option to acquire up to 40% of the Kinsale Head assets from PETRONAS, EIRGAS continues to work on a number of other gas storage opportunities, as follows:

Kish Bank (50% interest)

The Company recently completed its Ulysses Study, which was an assessment of the gas storage and CCS potential of the Kish Bank Basin. A suitable site for gas storage has been identified and in addition, further geotechnical studies have confirmed that the basin could host an effective carbon storage capacity of c. 270 million tonnes.

Dragon (Irish sector) (100% interest)

Recent internal studies have suggested that the Dragon gas field could be suitable for the development of an offshore gas storage site. Work on potential development concepts is ongoing in tandem with well planning for the 2011 Dragon appraisal/development well.

FORWARD DRILLING PROGRAMME

Providence has a number of operated well activities over the next 18 months. These wells will target the Dalkey Island and Orpheus exploration prospect whilst also appraising the Dragon gas field and assessing the salt cavern gas storage potential of the Kish Bank Basin. Whilst no commitment has yet to be made, there are also a number of potential production/development well opportunities within the EXOLA portfolio.

In terms of non-operated wells, ExxonMobil continue to mature the Dunquin prospect towards drilling, with the final well location now agreed and the requisite site survey to be carried out as a precursor to drilling. Seismic interpretation and mapping for appraisal wells on Spanish Point and Burren is also ongoing and an update on the forward drilling programme will be provided as appropriate.

Tony O'Reilly, Chief Executive of Providence, commented:

“During the period under review, Providence materially progressed a broad range of projects across its entire portfolio. Against a back-drop of lower commodities pricing, we managed to significantly increase production, whilst also maturing a number of important appraisal and development projects towards drilling.

“Looking ahead, Spanish Point/Burren together with the Dragon Field, form cornerstones of our appraisal/development activity offshore Ireland, whilst onshore UK, further production and appraisal drilling is planned for Singleton and Baxter’s Copse, respectively. In addition our current planning envisages a number of key high impact exploration wells to be drilled including Dalkey Island, Orpheus and Dunquin.

“My board and I look forward to updating you over the next year on what should be a very exciting period ahead for Providence shareholders.”

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Notes to Editors:

About Providence

Providence Resources P.l.c. is an independent oil and gas exploration company traded on the AIM (London) and ESM (Dublin) markets. Providence's active oil and gas portfolio includes interests in Ireland, the United Kingdom, the Gulf of Mexico (USA) and Africa (offshore Nigeria). Providence's portfolio is balanced between production, appraisal and exploration assets, as well as being diversified geographically. Comprehensive information on Providence and its oil and gas portfolio, including its annual reports and recent press releases, is available from Providence's website at www.providenceresources.com

Glossary of Terms Used

BSCF	Billion Standard Cubic Feet of Gas
MMBO	Million Barrels of Oil
BOPD	Barrels of Oil per Day
BOE	Barrels of Oil Equivalent
BBOE	Billion Barrels of Oil Equivalent (1 BOE = 6,000 SCFG)

SPE/WPC/AAPG/SPEE Petroleum Resource Management System 2007 has been used in preparing this announcement

Announcement

This announcement has been reviewed and approved by John O'Sullivan, Exploration Manager of Providence Resources P.l.c. John O'Sullivan is a Geology graduate of University College Cork and holds a Masters in Geophysics from The National University of Ireland, Galway. John also holds a Masters in Technology Management from the Smurfit Graduate School of Business at University College Dublin and is presently completing a dissertation leading to a PhD in Geology at Trinity College, Dublin. John is a Fellow of the Geological Society and a member of the Petroleum Exploration Society of Great Britain. He has 20 years experience in the oil and gas exploration and production industry and is a qualified person as defined in the guidance note for Mining Oil & Gas Companies, March 2006 of the London Stock Exchange.



PROVIDENCE - ASSETS BY REGION

<u>Asset</u>	<u>Location</u>	<u>Operator</u>	<u>%</u>	<u>Type</u>
IRELAND				
Spanish Point	Porcupine Basin	Providence	56.0%	Gas development
Burren	Porcupine Basin	Providence	56.0%	Oil discovery
FEL 4/08	Porcupine Basin	Providence	56.0%	Oil and gas exploration
Dunquin	Porcupine Basin	ExxonMobil	16.0%	Oil and gas exploration
Drombeg	Porcupine Basin	ExxonMobil	16.0%	Oil and gas exploration
Cuchulain	Porcupine Basin	ENI	3.2%	Oil and gas exploration
Newgrange*	Goban Spur Basin	Providence	80.0%	Oil and gas exploration
Dalkey Island	Kish Bank Basin	Providence**	50.0%	Oil exploration
Pegasus	NE Celtic Sea	Providence	100.0%	Oil and gas exploration
Orpheus	NE Celtic Sea	Providence	100.0%	Oil and gas exploration
Dionysus	NE Celtic Sea	Providence	100.0%	Oil and gas exploration
Dragon (part)	NE Celtic Sea	Providence***	c.25.0%	Gas development
Hook Head	Celtic Sea	Providence***	72.5%	Oil & gas discovery
Dunmore	Celtic Sea	Providence***	72.5%	Oil discovery
Helvick	Celtic Sea	Providence***	72.5%	Oil & gas discovery
Ardmore	Celtic Sea	Providence***	72.5%	Gas discovery
Barryroe	Celtic Sea	Lansdowne	30.0%	Oil discovery
Baltimore	Celtic Sea	Providence	60.0%	Oil discovery

*Subject to new licensing application

** Gas storage and CCS opportunities to be held through EIRGAS with exploration held through Providence

*** Subject to license transfer from Providence Resources P.I.c. to either EXOLA or EIRGAS

UNITED KINGDOM

Singleton	Onshore	Providence	99.1%	Oil and gas production
Baxter's Copse	Onshore	Providence	50.0%	Oil discovery
Burton Down	Onshore	Providence	50.0%	Oil and gas exploration

UNITED STATES

High Island A-268	Gulf of Mexico	Peregrine	5.0%	Oil and gas production
Galveston A-155	Gulf of Mexico	Peregrine	10.8%	Gas production
Ship Shoal 252*	Gulf of Mexico	SPN	50.0%	Oil and gas production
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Ship Shoal 267*	Gulf of Mexico	SPN	50.0%	Oil and gas production
Main Pass 19	Gulf of Mexico	Petsec	45.0%	Oil and gas production
East Cameron 257	Gulf of Mexico	SPN	12.5%	Gas production
West Cameron 333	Gulf of Mexico	Mariner	32.5%	Gas production
Vermillion 60	Gulf of Mexico	SPN	50.0%	Gas production
Ridge	Onshore Louisiana	Brammer	30.0%	Gas production

* Earned interest through well bore participation

NIGERIA

AJE, OML 113	Offshore Nigeria	YFP/Chevron	6.7%	Oil and gas development
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