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PROVIDENCE COMPLETES HEAVY OIL RESOURCE ASSESSMENT OF THE ARDMORE FIELD, OFFSHORE IRELAND

- **ESTIMATE SUGGESTS A RESOURCE POTENTIAL OF UP TO c. 230 MILLION BARRELS IN PLACE**
- **ARDMORE TO BE MANAGED BY EXOLA LIMITED, PROVIDENCE'S SPV ESTABLISHED TO FOCUS ON HEAVY/UNCONVENTIONAL OIL**

Providence Resources P.l.c., ('Providence') the Irish oil and gas exploration and production company, whose shares are listed in London (AIM) and Dublin (IEX), is pleased to announce that it has completed a technical assessment of the heavy oil potential which underlies the Ardmore gas field ('Ardmore'). The Ardmore field is located in Standard Exploration Licence (SEL) 2/07 in the North Celtic Sea Basin and is situated some c. 60 kilometers off the south coast of Ireland in c. 90m water depth. Providence holds a 72.5% operated interest in SEL 2/07 with partners Atlantic Petroleum (18.3%) and Sosina Exploration (9.2%). Providence manages its interest in the Ardmore field through its special purpose vehicle EXOLA Limited.

The Lower Cretaceous aged Ardmore field was discovered by Marathon Oil in 1974, and comprises a gas cap with an underlying heavy oil (c. 16° API) accumulation. Recent work in the area, which revealed the presence of potentially significant heavy oil resources at the nearby Baltimore discovery, prompted a re-evaluation of the deterministic resource potential within the Ardmore oil leg. This work, which is based on a recently acquired 2006 3D seismic survey, has now been completed and suggests an in place resource potential of up to c. 230 MMBO.

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

"The positive results from our recent work on the Baltimore heavy oil discovery lead us to re-evaluate Ardmore in the context of its heavy oil potential. Whilst further work needs to be carried out, we are suitably encouraged by this review and as with our recently announced JV on Baltimore, we have agreed with the Ardmore partners to seek a heavy oil specialist to assess this discovery for potential future development."

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Notes to Editors

About EXOLA Limited

EXOLA Limited is a SPV (special purpose vehicle) established by Providence to invest in heavy and unconventional oil developments and opportunities offshore Ireland and the United Kingdom. EXOLA, which is an Irish Company, is owned 100% by Providence.

About Providence

Providence Resources Plc is an independent oil and gas exploration company listed on the AIM market in London and on Dublin's IEX market. Providence's active oil and gas portfolio includes interests in Ireland (offshore), the United Kingdom (onshore and offshore), the United States (offshore) and West 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 all press releases, annual reports and interim reports are available from Providence's website at www.providenceresources.com.

About Ardmore

The Ardmore discovery well (49/14-1) was drilled by Marathon Oil in 1974. The well encountered oil and gas at c. 2,500'-3,000' TVDSS in sands of Lower Cretaceous age which are similar to those producing at the nearby Kinsale Head field. Oil recovered during testing was a heavy crude (c. 16.4° API) with electric wireline logs indicating excellent reservoir potential. Recent work by major operators such as Statoil is currently progressing similar heavy oil accumulations in the North Sea, most notably the Mariner and Bressay accumulations toward development. It is likely that standard heavy oil field technologies such as artificial lift, horizontal drilling and chemical injection will play key roles in any ultimate commercialization of the Baltimore oil resource.

About Heavy/Unconventional Oil

Heavy oil is crude oil which does not flow easily as its density or specific gravity is higher than that of light/conventional oils. Heavy crude oil is defined as any liquid petroleum with an API gravity of less than 20° which is mostly the result of the oil bearing derived from an early mature source rock or else due to subsequent effects of bacteria, water or air on a light oil which result in the loss of the lighter fractions. Heavy oil has received renewed interest due to the recent increases in oil price as it provides a potential significant source of new global oil reserves.

Announcement

This announcement has been reviewed by John O'Sullivan, Exploration Manager, Providence Resources P.I.c. John holds a B.Sc. in Geology from University College Cork, Ireland, an M.Sc. in Applied Geophysics from the National University of Ireland, Galway and a M.Sc. in Technology Management from The Smurfit School of Business at University College Dublin. John is presently working part-time on a PhD dissertation at Trinity College, Dublin. John has worked in the offshore business for 20 years and is a fellow of the Geological Society of London. Definitions in this press release are consistent with SPE guidelines.

Location Map

