



2011 CELTIC SEA DRILLING UPDATE

- Standard Exploration Licence 1/11 granted over an increased Barryroe area
- Well programme finalised using new fast-track 3D seismic data
- GSF Arctic III rig expected to commence drilling operations in November

Providence Resources P.l.c., ('Providence') the London (AIM) and Dublin (ESM) listed oil and gas exploration and production company, is pleased to provide an update on its upcoming appraisal drilling programme in the North Celtic Sea Basin, offshore southern Ireland.

- The Barryroe partners have been awarded Standard Exploration Licence 1/11 ("Licence") over the Barryroe oil discovery by the Irish Minister for Communications, Energy and Natural Resources, Pat Rabbitte TD, for a period of up to six years, split into two three year phases. This Licence is a successor authorisation to Licensing Option 08/1. The areal extent of the Licence has been increased by approximately 9% (c. 25 sq km) to cover additional acreage with identified resource potential. The partners have committed to the drilling of at least one well during the first phase, which will be fulfilled by the upcoming 48/24-J well. Providence holds a 50% interest in the Licence and operates on behalf of its partners San Leon Energy Plc (30%) and Lansdowne Oil & Gas Plc (20%).
- The 48/24-J well location and programme have been finalised using a fast-track 3D seismic volume. The planned well will offset and primarily appraise the previous Marathon Oil operated 48/24-3 (1990) well, which tested c. 45° API light sweet oil at c. 1,600 BOPD from Base Cretaceous sands. Using the latest technology, the 48/24-J well is planned to acquire a modern set of wire-line logs, together with an orientated conventional core through the primary objective. These new data will be important in understanding the reservoir architecture, inverting the 3D seismic volume and defining the resource base for this reservoir interval. In addition, it is planned to test the well using vacuum insulated tubing (VIT), which has proven to be key when dealing with high pour point crudes such as those seen in the original well. Data in overlying secondary objectives will also be acquired as these have tested at rates of c. 1,500 BOPD from two previous wells on the Barryroe structure. The objective will be to demonstrate commercial flow rates of 1,800 BOPD or better from this vertical well.
- Providence now expects to commence drilling operations on the 48/24-J Barryroe appraisal well in mid-November 2011. Providence and its partners are awaiting the delivery of the GSF Arctic III rig, which is currently finishing a work programme for another operator in the North Sea. Pre-spud activities for the Barryroe well have already commenced, with tangible item mobilisation and other logistics activities progressing to plan.

Commenting on the news, Tony O'Reilly, Providence's CEO, said:

“This appraisal well is the first in Providence's multi-well, multi-year drilling programme. In addition to being a very important confirmation well for the future development of the Barryroe oilfield, this well also heralds the renaissance of major drilling activities offshore Ireland. As the first well in more than twenty years to be drilled on this accumulation, we are fortunate to be able to avail of today's technology and market conditions to advance this project and in doing so, endeavour to deliver the first commercial oil development offshore Ireland. We look forward to updating shareholders on the progress of this programme over the coming months.”

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ABOUT PROVIDENCE

Providence Resources Plc is an Irish based oil and gas exploration company listed on the AIM market in London and on Dublin's ESM market. Providence's portfolio of production, appraisal and exploration assets includes licence interests in Ireland (offshore) and the United Kingdom (onshore). In 2011, Providence announced plans to invest with its partners upwards of \$500 million in the drilling of a number of exploration and development wells in 6 different basins offshore Ireland. This multi-year programme represents the largest drilling campaign ever carried out offshore Ireland. www.providenceresources.com.

ABOUT BARRYROE

The Barryroe licence lies directly below the Seven Heads Gas Field and has been successfully tested at flow rates of between 1,300 and 1,600 BOPD, from three exploration and appraisal wells. The reservoir sands are of Cretaceous Middle and Lower Wealden age located between c. 4,500' TVDSS and 7,550' TVDSS. The oil is light (30 to 42 degrees API) and contains relatively high wax content ranging from 12 to 22 per cent, which may require treatment at surface. Providence holds a 50% interest in the licence and operates on behalf of its partners San Leon Energy Plc (30%) and Lansdowne Oil and Gas Plc (20%). A third party audit carried out by RPS Energy for Lansdowne Oil & Gas plc indicated P50 and P10 STOIP estimates for Barryroe of 373 MMBO and 893 MMBO, respectively. The corresponding 2C and 3C Barryroe technically recoverable contingent resources are 59 MMBO and 144 MMBO, respectively. Providence entered into a MOA with Shell Trading and Marketing to agree an oil off-take agreement for future Barryroe oil production.

ANNOUNCEMENT

This announcement has been reviewed by John O'Sullivan, Technical Director, Providence Resources P.l.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 and member of The Petroleum Exploration Society of Great Britain. 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