

14 July 2008

Providence Resources P.l.c. ("Providence" or the "Company")



Providence Resources plc

Licensing Option Award

Providence Resources P.l.c., the AIM and IEX listed oil and gas exploration and development company, is pleased to announce that it has been awarded a new Licensing Option in the North Celtic Sea basin, off the south coast of Ireland.

The Barryroe Licensing Option ("Barryroe Licence") has been granted to Lansdowne (40 per cent), Island Oil & Gas plc ("Island") (30 per cent) and Providence Resources plc ("Providence") (30 per cent). Lansdowne will act as the operator of the licence for the period of time up to and including the acquisition of any seismic data over the acreage. Thereafter, Providence will become the operator for any drilling and development activities.

- The Barryroe Licence is over acreage which lies directly below the Seven Heads Gas Field
- Three previous wells tested oil at between 1,300 and 1,600 BOPD
- Oil tested was light crude (30 to 42 API, with a high wax content)
- Potential development synergies with other Celtic Sea projects are being reviewed by the Group
- In the western part of the Barryroe Licence acreage, situated to the west of the producing Seven Heads Gas Field, the shallower section above 4000ft sub-sea is also included in the Licensing Option and this is considered to be prospective for gas

The new Licence has been renamed Barryroe to avoid confusion with the Seven Heads Gas Field which is partly situated above the deeper oil accumulations. Part of the Barryroe acreage lies beneath the Seven Heads Gas Field, with the boundary between the two concessions lying at 4,000ft (approximately 1,250m) sub-sea. Within the Barryroe area oil has been successfully tested at flow rates of between 1,300 and 1,600 BOPD, from three exploration or appraisal wells. The reservoir sands are in the Cretaceous Middle and Lower Wealden sequences between 1,400m and 2,300m (approximately 4,600 to 7,550ft) below sea level. The oil is light (30 to 42 degrees API) and contains relatively high wax contents ranging from 12 to 22 per cent, which may require treatment to avoid production difficulties.

From the previous technical work carried out, the two main challenges to commercial development have been identified as the reservoir continuity and the high pour point of the oil caused by the high wax content. The significant increase in the price of oil since 2006 has materially improved the likelihood that these reserves could be exploited commercially.

The work programme for the new Licensing Option will focus upon these challenges and the potential synergies in reviewing development options in parallel with other established oil accumulations in the Celtic Sea. In particular the appraisal and conceptual development work being carried out by Providence on other Celtic Sea oil accumulations may have an impact upon the development options being considered for Barryroe.

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Notes to Editors

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. The Company was founded in 1997, but with roots going back to 1981 when its predecessor company, Atlantic Resources Plc was formed by a group of investors led by Sir Anthony O'Reilly.

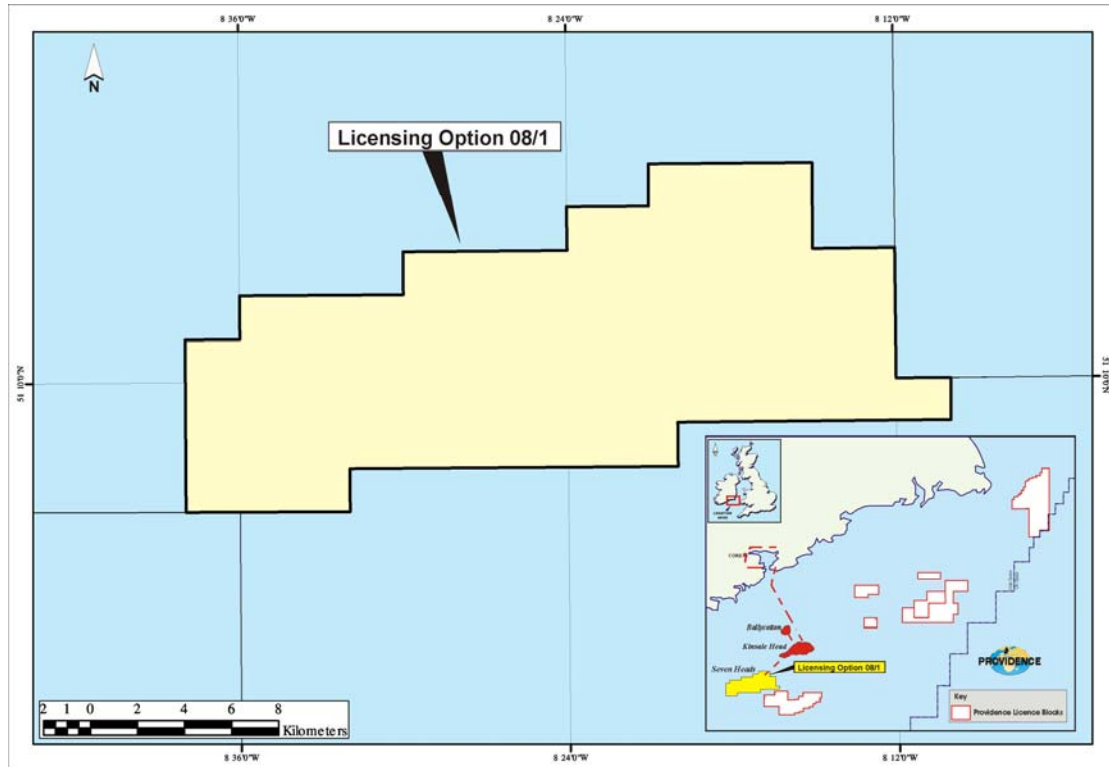
Providence's active oil and gas portfolio includes interests in Ireland (offshore), the United Kingdom (onshore and offshore), the United States (offshore) and West Africa (offshore Nigeria). Providence's portfolio is balanced between production, appraisal and exploration assets, as well as being diversified 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 Barryroe

Three wells within the Licensing Option area have tested oil:

1. 48/24-1 drilled by Esso in 1973/1974 tested oil from Middle Wealden sands at an aggregate rate of 1300 barrels per day
2. 48/28-1 drilled drilled by Esso in 1974 tested oil from a Middle Wealden sand at 1527 barrels per day
3. 48/24-3 drilled by Marathon in 1990 tested oil from Lower Wealden sands at an aggregate rate of 1619 barrels per day



This announcement has been reviewed by John O'Sullivan, Exploration Manager, 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 19 years and is a fellow of the Geological Society of London and member of the Energy Institute. Definitions in this press release are consistent with SPE guidelines.