

For immediate release

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COMMERCIAL UPDATE - SPANISH POINT AREA **FARM IN BY CAIRN ENERGY PLC**

- **CAIRN ENERGY PLC TO FARM INTO SPANISH POINT AREA LICENCES IN QUAD 35 IN THE PORCUPINE BASIN**
 - **APPRAISAL WELL AT SPANISH POINT**
 - **FURTHER WELL TO BE DRILLED ON ANOTHER TARGET**
 - **3D SEISMIC AQUISITION**

Providence Resources P.L.C., ("Providence") the Irish oil and gas exploration & appraisal company, whose shares are listed in London (AIM) and Dublin (ESM), notes the announcement by Cairn Energy Plc ("Cairn") that its wholly owned subsidiary, Capricorn Ireland Limited, has agreed with Chrysaor and Sosina to farm in to Frontier Exploration Licence 2/04, Frontier Exploration Licence 4/08 and Licensing Option 11/2 ("the licences"), all located in Quad 35 in the Porcupine Basin, off the west coast of Ireland.

Under the terms of the deal agreed with Chrysaor and Sosina, Cairn will earn a 38% equity stake in the licences by paying 63.33% of future exploration and appraisal costs for up to two wells, subject to a cap. Costs in excess of this cap will be shared by the parties according to their equity interests. Providence, who already has a promoted farm in with Chrysaor, which includes a \$20 million well cap on the first appraisal well at Spanish Point, is not availing of this farm in promote and will stay at its 32% equity level. Based on latest rig scheduling from Cairn/Chrysaor, the partners now plan to drill the appraisal well at Spanish Point in Q2 2014, with a follow on well to be drilled on another target at a later date. The partners also currently expect to propose an extensive 3D seismic work programme on LO 11/2.

As a result of this farm-in, the revised equity participation will be Cairn 38%, Chrysaor 26%, Providence 32% and Sosina 4%, with Cairn assuming the role of Operator for the area. This farm in is subject to partner consent and approval from the Minister for Communications, Energy and Natural Resources.

Commenting on the farm-in, Tony O'Reilly, Chief Executive said:

"We are delighted to welcome Cairn into our partnership in the Porcupine Basin. The arrival of a major independent operator like Cairn, with their deep water experience and their technical and financial strengths, provides further validation of the real potential of the Irish offshore and we look forward to working with them in the upcoming appraisal drilling at Spanish Point in 2014 and subsequent drilling and exploration activities within Quad 35."

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ABOUT PROVIDENCE

Providence Resources Plc is an Irish based oil & gas exploration, appraisal and development company with a portfolio of appraisal and exploration assets offshore Ireland and the U.K. The Company is currently leading a circa \$500 million multi-year drilling programme on a number of exploration/development wells over 6 different basins offshore Ireland, representing the largest drilling campaign ever carried out offshore Ireland www.providenceresources.com.

ANNOUNCEMENT

This announcement has been reviewed by John O'Sullivan, Technical Director, 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 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