

2 November 2010
Embargo 7am



TECHNICAL UPDATE

DALKEY ISLAND PROSPECT, OFFSHORE IRELAND

- **SEISMIC INVERSION REVEALS POTENTIAL DIRECT HYDROCARBON INDICATOR**
- **DEEPER CARBONIFEROUS EXPLORATION PROSPECTIVITY IDENTIFIED**
- **FINDINGS TO BE ANNOUNCED LATER TODAY AT ATLANTIC IRELAND CONFERENCE IN DUBLIN**

Providence Resources P.l.c., ("Providence") the Irish oil and gas exploration and production company, whose shares are listed in London (AIM) and Dublin (ESM), is pleased to provide an update on its Dalkey Island exploration prospect in the Kish Bank Basin, offshore eastern Ireland. The Dalkey Island prospect is located c. 10 km offshore eastern Ireland in c. 25 metre water depth. Providence holds an operated 50% equity interest in Licensing Option 08/2 together with its partner, Star Energy Group.

Providence recently commissioned a third party rock physics modeling and seismic inversion study over the Dalkey Island prospect. These data have revealed the presence of a potential direct hydrocarbon indicator at the top of the primary Lower Triassic reservoir interval. Direct hydrocarbon indicators have been noted from analogous producing oil and gas fields in the nearby prolific Liverpool Bay area. In addition, detailed petroleum systems analysis has suggested that the underlying Carboniferous section, which to date has not been drilled in the basin, may also be prospective for oil. This potential has been highlighted by the 33/22-1 well, which was drilled on the edge of basin and which encountered residual oil in Upper Carboniferous sands. Seismic mapping of the Upper Carboniferous has revealed a large structural trap which directly underlies the Lower Triassic Dalkey Island prospect.

These results will be presented by Providence at the Atlantic Ireland Conference which is being held later today in Dublin.

Contacts:

Providence Resources P.I.c.

John O'Sullivan

Tel: +353 (0)1 219 4074

Powerscourt

Rob Greening/Lisa Kavanagh

Tel: +44 (0)207 250 1446

Murray Consultants

Pauline McAlester

Tel: +353 (0)1 498 0300

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 ESM 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 the Dalkey Island Prospect

Previous exploration drilling in the Kish Bank Basin has confirmed the potential for petroleum generation with oil shows seen in a number of wells together with natural hydrocarbon seeps recorded from airborne surveys. New analysis of vintage 2-D seismic data has revealed the presence of a large undrilled structural closure at Lower Triassic level situated c. 10 km offshore Dublin. This feature, known as the Dalkey Island exploration prospect, may be prospective for oil, as there are prolific oil productive Lower Triassic reservoirs nearby in the eastern Irish Sea offshore Liverpool. Whilst the Dalkey Island exploration prospect could contain c. 870 MMBO in place, this undrilled prospect still has significant risk and the partners are currently advancing a focused work programme in order to better understand and hopefully mitigate these risks. However, given its location in shallow water and close proximity to shore, the prospect is of great interest as exploration drilling, together with any future development costs are likely to be low.

Announcement

In accordance with the AIM Rules – Guidance for Mining and Oil & Gas Companies, the information contained in this announcement has been reviewed and approved by John O'Sullivan, Exploration Manager of Providence Resources P.I.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.