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TECHNICAL UPDATE

DROMBEG PROSPECT

SOUTH PORCUPINE BASIN

- **AREALLY EXTENSIVE LOWER CRETACEOUS AMPLITUDE ANOMALY IDENTIFIED ON 2D SEISMIC DATA**
 - **SEISMIC INVERSION STUDY MODELS ANOMALY TO BE HYDROCARBON BEARING SANDSTONE**
- **LARGE JURASSIC FAULT BLOCK CLOSURE WITH FLUID ESCAPE FEATURE UNDERLIES THE PROSPECT**

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 provide a technical update on Licensing Option 11/9 (“Drombeg”) in advance of the upcoming Third Central & North Atlantic Conjugate Margins Conference. A new third party seismic inversion analysis of the Drombeg prospect will be exhibited at this conference which is being held at Trinity College Dublin on August 22-24, 2012.

Providence (80%, Operator) and Sosina Exploration (20%) were awarded Licensing Option 11/9 (“Drombeg”) as part of the 2011 Irish Atlantic Margin Licensing Round. The Drombeg prospect lies in c. 2,500 metre water depth (c. 3,000 metres below the seabed) and is located in the southern Porcupine Basin, c. 220 km off West Cork, being c. 60 km from the ExxonMobil-operated Dunquin exploration prospect which is due to be drilled Q2 2013.

As mapped, the Lower Cretaceous Drombeg stratigraphic prospect demonstrates a significant seismic amplitude anomaly and low seismic impedance as well as a marked AVO (amplitude versus offset) response. Providence recently engaged Ikon Science to carry out a rock physics modeling and 2D seismic inversion study of the Drombeg prospect using a number of key 2D seismic lines together with regional well data. This study has concluded that the mapped seismic anomaly is consistent with a modeled hydrocarbon bearing sandstone

interval which has a seismically derived thickness of c. 200-300 ft. Providence's mapping shows that the anomaly is aerially extensive covering c. 240 sq km and is interpreted to be the deepwater equivalent of Lower Cretaceous Apto-Albian aged shallow water marine sandstones encountered in the BP-operated 43/13-1 well, drilled in 1988. That well, which was situated c. 80 km from Drombeg, encountered c. 70 ft of net Apto-Albian sandstone (average porosity of c. 19%). An underlying second seismic anomaly has also been identified and modeled to be consistent with hydrocarbon bearing sandstone with a seismically derived thickness of c. 140-200 ft and both anomalies appear to have a potential common down-dip depth termination.

A major Jurassic tilted fault block closure covering c. 150 sq km has been mapped beneath the prospect and a marked fluid escape feature has been identified at its crest. This 'chimney' appears to terminate at the down-dip edge of the Drombeg seismic anomaly and provides potential evidence of hydrocarbon sourcing and migration into the prospect.

Speaking today, John O'Sullivan, Technical Director of Providence said,

"While a lot of recent focus has understandably been on our Barryroe oil field, it's great to be able to provide shareholders with an update on another significant project within our portfolio where we hold a major equity position as we advance towards the drill-ready stage.

"The work carried out by Ikon Science clearly demonstrates that Drombeg offers significant potential, exhibiting many of the key ingredients of a major hydrocarbon accumulation. The evidence of potentially active hydrocarbon migration in this frontier basin has wider implications for our other projects in the southern Porcupine Basin, most notably Dunquin, which is to be drilled in 2013. Given Drombeg's location and water depth, it is likely that we will seek a capable joint-venture partner with deepwater operating experience though that view may change with positive results from the upcoming Dunquin well.

"We hope to be in a position to update the market on the prospective oil and gas resource potential of Drombeg during Q4 2012."

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ABOUT PROVIDENCE

Providence Resources Plc is an Irish based oil and gas exploration company whose shares are traded on the London AIM market 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 & offshore). In 2011, Providence, along with its partners, commenced a circa \$500 million multi-year drilling programme on a number of exploration and development wells in 6 different basins offshore Ireland. This programme represents the largest drilling campaign ever carried out offshore Ireland. www.providenceresources.com.

ABOUT IKON SCIENCE

Ikon Science is a global geoscience technology company. We provide industry leadership in the prediction of reservoir properties, pressures and fluids. Our RokDoc software, Quantitative Interpretation and GeoPressure Services all leverage the power of rock physics to integrate well, geopressure and seismic data to understand the subsurface. Ikon Science's RokDoc software platform and related Quantitative Interpretation services are used globally in over 180 Oil, Gas, Energy and Service companies throughout the world. Ikon Science, founded in 2001, employs over 160 people and has offices in London, Durham, Edinburgh, Lagos, Rio de Janeiro, Houston, Boulder, Kuala Lumpur and Perth, Western Australia. The company is privately owned and investors include Fleming Family & Partners and Tullow Oil Plc.

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