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TECHNICAL UPDATE

DROMBEG PROSPECT

SOUTHERN PORCUPINE BASIN

- **COMPLETION OF MAJOR SEISMIC INVERSION PROGRAMME ON 2D LINES OVER LOWER CRETACEOUS DROMBEG ANOMALY**
- **PROSPECTIVE OIL RECOVERABLE RESOURCE POTENTIAL OF 872 MILLION BARRELS (P50) IN THE PRIMARY SEISMIC ANOMALY**
- **FURTHER ADDITIONAL RESOURCE POTENTIAL IDENTIFIED IN SEPARATE STACKED RESERVOIR TARGETS**

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 and resource update on Licensing Option 11/9 (“Drombeg”). 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 and is c. 3,000 metres below the seabed. The prospect 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 in early 2013.

Providence has recently completed a major seismic inversion programme over the Lower Cretaceous Drombeg prospect, together with an assessment of its associated prospective resource potential. Earlier this year, initial rock physics modeling and seismic inversion work was carried out by Ikon Science over key 2D Drombeg seismic lines which exhibited a marked seismic anomaly (see RNS dated 7 August 2012). This initial work modeled the Drombeg anomaly to be consistent with the presence of thick hydrocarbon bearing sandstone intervals. At that time, the Company also confirmed that a large Jurassic fault block closure, with a pronounced crestal fluid escape feature, had been also identified beneath the Drombeg Lower Cretaceous prospect.

Results from this new inversion study, together with a volumetric analysis of the Lower Cretaceous interval has now been completed and these will be presented at the Atlantic Ireland Conference being held in Dublin, Ireland on November 12th 2012. The analysis of the primary Drombeg seismic anomaly has indicated a recoverable P50 prospective resource potential of 872 MMBO, based on an oil in place volume of 2.970 BBO, together with analogue data from the North Sea. However, further technical data, including 3D seismic, will be required in order to better assess the ultimate resource potential of the Drombeg prospect. Further similar Lower Cretaceous seismic anomalies have been identified both laterally offset to, as well as vertically stacked with, the Drombeg prospect providing further resource growth potential.

Two separate stratigraphic, but vertically stacked objectives have also been identified in the overlying Lower Cenozoic and underlying Upper Jurassic. The Lower Cenozoic feature is interpreted to comprise a deep-water basin floor fan covering c. 295 sq km and which exhibits marked amplitude versus offset (AVO) anomaly. The deeper Upper Jurassic feature is mapped as a large tilted fault block structure with c. 140 sq km of closure. A notable fluid escape feature has been interpreted at the crest of the Upper Jurassic tilted fault block and which appears to be acting as a hydrocarbon migration path into both the overlying Drombeg Lower Cretaceous and Lower Cenozoic target intervals. This fluid escape feature is significant in that it suggests an oil remigration model at Drombeg which is similar to that which has been proposed for the BP-operated Foinaven and Schiehallion Fields in the UK West of Shetlands.

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

"Recent successful discoveries, both in West Africa and South America, have highlighted the enormous potential of the Lower Cretaceous deepwater clastic exploration plays of the Central Atlantic. We believe that the results of the Drombeg seismic inversion signal that this significant play may well extend into the North Atlantic Conjugate Margin and, more particularly, into the southern Porcupine Basin. The Ikon seismic inversion work, which is consistent with a model supporting the presence of hydrocarbons over a very large area at Drombeg, is hugely encouraging and becomes compelling when considered in tandem with the other associated direct hydrocarbon indicators. Initial feedback from the industry has been very positive with the prospect creating much interest amongst deepwater exploration operators."

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TERMS USED IN THIS ANNOUNCEMENT:

BBO – Billion Barrels of Oil

MMBO – Million Barrels of Oil

ABOUT PROVIDENCE

Providence Resources Plc is an Irish based oil and gas exploration and development company with a portfolio of appraisal and exploration assets in Ireland (offshore) and the United Kingdom (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, representing the largest drilling campaign ever carried out offshore Ireland. www.providenceresources.com.

ABOUT IKON SCIENCE

Ikon Science is a global geoscience technology company. Ikon provides industry leadership in the prediction of reservoir properties, pressures and fluids. Ikon's 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