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13 September 2012



OPERATIONAL UPDATE

DUNQUIN

- **LETTER OF INTENT SIGNED FOR THE “EIRIK RAUDE” SEMI-SUBMERSIBLE DRILLING RIG**

Providence Resources P.l.c., (“Providence”) the Irish oil and gas exploration and production company, whose shares are quoted in London (AIM) and Dublin (ESM), is pleased to confirm that it has now received formal notification from ExxonMobil Exploration and Production Ireland (Offshore) Limited that a letter of intent has been signed with Ocean Rig UDW Inc. for the “Eirik Raude” semi-submersible drilling rig.

Under the terms of this Letter of Intent, it is proposed to utilise the “Eirik Raude” to drill an exploration well at Dunquin, located in Frontier Exploration Licence (FEL) 3/04, offshore Ireland with an estimated programme duration of up to 6 months. Subject to satisfactory contract and corporate and co-venturer approvals, the rig is scheduled to commence this contract in the first quarter of 2013.

ExxonMobil Exploration and Production Ireland (Offshore) Limited (27.5% interest) operates FEL 3/04 on behalf of its partners, Eni Ireland B.V. (27.5% interest), Repsol Exploracion Irlanda, S.A. (25% interest), Providence Resources Plc (16.0% interest) and Sosina Exploration Limited (4.0% interest).

Commenting on this news, Tony O’Reilly, Chief Executive of Providence said,

“We are extremely pleased to confirm that this letter of intent has now been agreed, and that drilling operations at Dunquin are being planned to start in Q1 2013. The Dunquin well forms an important part of Providence’s ongoing Irish multi-basin, multi-well drilling programme.”

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ABOUT PROVIDENCE

Providence Resources P.I.c. is an Irish based oil and gas exploration company with a portfolio of production, appraisal and exploration assets 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 FEL 3/04 (DUNQUIN)

FEL 3/04 (the Dunquin licence) covers 5 blocks (44/18, 44/23, 44/24, 44/29, 44/30) in the South Porcupine Basin, 200km off the South West coast of Ireland, where the water depth is over 1,500m. In August 2009, ExxonMobil, on behalf of the licence partners, notified the Irish Department of the Communications, Energy and Natural Resources that the licence partners had elected to enter the second phase of the licence, which requires a well to be drilled. Subsequently, in July 2010, a site survey was completed on the Dunquin North prospect to assess the site for the drilling of an exploration well.

ABOUT OCEAN RIG

Ocean Rig is an international offshore drilling contractor providing oilfield services for offshore oil and gas exploration, development and production drilling, and specializing in the ultra-deepwater and harsh-environment segment of the offshore drilling industry. The company owns and operates 9 offshore ultra deepwater drilling units, comprising of 2 ultra deepwater semisubmersible drilling rigs and 7 ultra deepwater drillships, 3 of which remain to be delivered to the company during 2013. Visit the Company's website at www.ocean-rig.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.