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Embargo 7am



PROVIDENCE DIVESTS ITS GULF OF MEXICO OIL & GAS PORTFOLIO FOR UP TO \$22 MILLION

Providence Resources P.I.c., (“Providence”) the Irish oil and gas exploration and production company, whose shares are quoted in London (AIM) and Dublin (ESM), announces the immediate sale of its US oil and gas portfolio in the Gulf of Mexico to Dynamic Offshore Resources LLC (“Dynamic”) for a consideration of up to \$22 million. The consideration comprises an initial cash payment of \$15 million, and potentially an additional \$7 million deferred cash payment. This deferred cash payment is dependent on Dynamic reaching certain production levels from any new wells drilled on Ship Shoal 252, 253 and 267 prior to January 2013. Total current production from Providence’s Gulf of Mexico portfolio amounts to c. 700 BOEPD.

The proceeds of the sale, which closed on 31st March, 2011, are to be applied to a reduction of the Company’s Reserve Backed Lending Facility with BNP Paribas. The sale will result in the impairment of the carrying value of the assets, and will necessitate a non-cash write-off to be taken in Providence’s 2010 accounts. CIBC World Markets Plc acted as exclusive financial adviser to Providence on this transaction.

Commenting, Mr. Tony O’Reilly, Chief Executive of Providence said:

“Whilst the production from the Gulf of Mexico has played an important role in the development of the Company over the past 3 years, it is now less material going forward. With our major multi-year, multi-basin drilling programme offshore Ireland starting, combined with our ongoing investment programme at Singleton, the investment focus for the Company is now very clear. As such, the opportunity to realise cash from the Gulf of Mexico portfolio, and to deleverage the core business, made sense.”

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EXPLANATORY NOTES

About Providence

Providence Resources Plc is Irish based oil and gas exploration and production company listed on AIM (London) and ESM (Dublin). Providence's portfolio includes extensive licence interests in Ireland (offshore), as well as licences in the U.K. (onshore and offshore) and West Africa (offshore Nigeria).

Providence recently announced a multi-year, multi-well offshore drilling campaign to cover the six basins in which the Company has licence interests offshore Ireland. Providence and partners plan to invest upwards of \$500 million in the drilling of a number of exploration and development wells, with first drilling planned to commence later in 2011. This programme represents the largest drilling campaign ever carried out offshore Ireland.

Comprehensive information (press releases & Company reports) are available at www.providenceresources.com.

Gulf of Mexico Portfolio

Asset	Location	Operator	%	Type
High Island A-268	Gulf of Mexico	Peregrine	5.0%	Oil & gas production
Galveston A-155	Gulf of Mexico	Peregrine	10.8%	Gas production
Ship Shoal 252*	Gulf of Mexico	Dynamic	50.0%	Oil & gas production
Ship Shoal 253*	Gulf of Mexico	Dynamic	50.0%	Oil and gas production
Ship Shoal 267*	Gulf of Mexico	Dynamic	50.0%	Oil and gas production
Main Pass 19	Gulf of Mexico	Petsec	45.0%	Oil and gas production
East Cameron 257	Gulf of Mexico	Dynamic	12.5%	Gas production
Vermillion 60	Gulf of Mexico	Dynamic	50.0%	Gas production
Ridge	Louisiana	Brammer	30.0%	Gas production

* Earned interest through well bore participation

The carrying value of Providence's Gulf of Mexico portfolio was approximately €44 million in Providence's 2009 accounts.

Announcement

This announcement has been reviewed and approved by John O'Sullivan, Exploration Manager of Providence Resources P.l.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.

Glossary of Terms Used

BOEPD Barrels of Oil Equivalent Per Day

BOPD Barrels of Oil Per Day

BOE Barrels of Oil Equivalent (1 BOE = 6,000 SCFG)

SPE/WPC/AAPG/SPEE Petroleum Resource Management System 2007 has been used in preparing this announcement