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PROVIDENCE UPGRADES RESERVES AT BAXTERS COPSE, ONSHORE UK

- **Audit increases resources to c. 33 MMBO STOIIP with c. 5.4 MMBO of undeveloped reserves**
- **Partners agree to target first oil from Baxter's Copse for 2011**

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 an update on its exploration evaluation activities in Petroleum Exploration and Development Licence (PEDL) 233, in the Weald Basin, Onshore UK. Providence holds an operated 50% equity interest in PEDL 233 together with its partner, Northern Petroleum. Baxter's Copse is directly adjacent to Providence's 99.125% owned Singleton Oil field which currently produces over 800 BOEPD.

PEDL 233 was awarded to the group as part of the 13th UK Onshore Licensing Round and contains the Baxter's Copse oil discovery. This discovery was drilled by Conoco in 1983 and flowed c. 50 BOPD from the original vertical exploration well. The Baxter's Copse discovery is located c. 5 km northeast of the Singleton oil field production facilities, which is operated by Providence. The Group has reprocessed the available 2D seismic data over Baxter's Copse, which has greatly improved the subsurface imaging. Subsequent interpretation, depth conversion and mapping have indicated that Baxter's Copse is a significantly larger oil accumulation than was previously thought.

RPS Energy has carried out a third party audit which indicates that the Baxter's Copse accumulation contains 2P and 3P undeveloped gross reserves of c. 5.4 MMBO and c. 15 MMBO, respectively. The partners have agreed a work programme to advance the Baxter's Copse discovery to development with the first potential horizontal production well to be drilled from the Singleton facilities in 2011. The Group also plans to further evaluate the other prospects and discoveries within PEDL 233.

Speaking today, Tony O'Reilly, Chief Executive of Providence, said:

"We are very pleased to report that our work programme on Baxter's Copse has dramatically upgraded the field's reserve potential and accelerated it towards development. The deployment of modern seismic processing technologies has been the key to understanding the potential of the Baxter's Copse discovery and this, together with our recent redevelopment activities at the Singleton field, bode well for the ultimate exploitation of these significant reserves. We look forward to working with our partner Northern Petroleum in the coming months to advance Baxter's Copse to first oil in 2011, which is good news for Providence and its shareholders."

Contacts:

Providence Resources P.l.c.

Tony O'Reilly

Tel: +353 (0)1 219 4074

Powerscourt

Rory Godson/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 IEX 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.

Glossary of terms used

All figures quoted are gross figures, unless otherwise stated

BOPD	Barrels of Oil per Day
BOEPD	Barrels of Oil Equivalent per Day
MMBO	Millions of Barrels of Oil
STOIP	Stock Tank Oil Initially In Place

Onshore UK - Singleton (99.125% interest)

The Singleton Oil Field is located 7 km north of Chichester in onshore licence PL 240 in the Weald Basin, South of England. The field consists of two east west trending elongate horst blocks divided by a narrow graben. The wells produce from the Jurassic-aged Great Oolite formation, consisting predominantly of oolitic grainstones deposited during transgressive/regressive episodes. Since production commenced in 1989, the field has produced c. 3.7 MMBO, which represents a recovery factor to date of c. 3.5%. Published data from similar fields in the area suggest an ultimate recovery factor of up to c.10% should be achievable. Recent studies (2008) suggested an original oil in-place resource of up to c.107 MMBO, a 50% increase over previous estimates which indicates that there is up to c. 7 MMBO of potential remaining reserves. The produced oil is a 37° API gravity crude and is trucked to the Holybourne Rail terminal.

Following the successful SNX10 development well, which came into production in Q2 2009, production at the field increased by 250 BOEPD. Further work has now indicated that Providence could expect to exceed its stated objective of increasing field production to over 1,000 BOEPD during 2010.

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.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.

Location Map

