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February 16th, 2011



PROVIDENCE RESOURCES P.I.c.

PLACING OF 16,096,800 NEW ORDINARY SHARES

TO RAISE £41.0 MILLION (US\$65.7 MILLION)

The Directors of Providence Resources P.I.c. ("Providence" or the "Company"), the London (AIM) and Dublin (ESM) listed oil and gas exploration and production company, are today pleased to announce that they have agreed the terms of a conditional placing for cash of 16,096,800 new ordinary shares of €0.10 each ("Ordinary Shares") at 255p (€3.03) per share, raising gross proceeds of approximately £41.0 million (US\$65.7 million) before expenses (the "Placing"). Cenkos Securities plc was sole bookrunner for the transaction and Cenkos Securities plc and J&E Davy acted as co-managers.

The Company has, over the past number of years, assembled a leading acreage position offshore Ireland comprising both existing oil and gas discoveries as well as oil and gas exploration assets. The Directors believe that recent advances in technology, infrastructure and commodity pricing support a unique opportunity to test the commercial potential of a number of these assets and so lead to further development of the Company's extensive portfolio offshore Ireland. Accordingly, the Directors have planned a multi-year, multi-well drilling campaign to cover the six basins in which the Company has licence interests. This campaign will target up to 10 wells to be drilled from now through 2013. Simultaneously, the ongoing field re-development programme at Singleton (onshore UK) allows the Company to access greater production rates and higher reserves from this licence.

The proceeds of the Placing will, therefore, primarily be used for the Company's multi-well drilling programme of oil and gas prospects in areas of proven oil and gas discoveries offshore Ireland and onshore UK. The Placing will also provide capital for seismic studies to be undertaken on certain of Providence's early stage assets in order to assess their suitability for drilling at a future date.

This announcement contains (or may contain) certain forward-looking statements with respect to certain of Providence's plans and its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. Providence cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'aim', 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', or other words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances a number of which factors are beyond Providence's control. As a result, Providence's actual future results may differ materially from the plans, goals, and expectations set forth in the forward-looking statements. Providence expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this announcement to reflect any changes in Providence's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Cenkos Securities plc ("Cenkos"), J&E Davy ("Davy"), or by any of their respective affiliates or agents as to, or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

Cenkos, which is authorised and regulated in the United Kingdom by the FSA, is acting exclusively for the Company and no-one else in connection with the Placing and will not be responsible to anyone other than Providence for providing the protections afforded to customers of Davy or for providing advice to any other person in relation to the Placing or any other matter referred to herein.

Davy, which is regulated in Ireland by the Central Bank, is acting exclusively for the Company and no-one else in connection with the Placing and will not be responsible to anyone other than Providence for providing the protections afforded to customers of Davy or for providing advice to any other person in relation to the Placing or any other matter referred to herein.

The distribution of this announcement and the offering of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by Providence, Cenkos or Davy that would permit an offering of such shares or possession or distribution of this announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by Providence, Cenkos or Davy to inform themselves about, and to observe such restrictions.

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