

Embargo 7am  
29 August 2012



## OPERATIONAL UPDATE

# SPANISH POINT WELL SITE SURVEY OPERATIONS

Providence Resources P.l.c., ('Providence') the London (AIM) and Dublin (ESM) quoted oil and gas exploration and production company, is pleased to confirm that site survey operations are about to commence on its Spanish Point acreage (FEL 2/04) in the Main Porcupine Basin, off the west coast of Ireland. The work is being carried out by Chrysaor (Ireland) Ltd ('Chrysaor') on behalf of the Spanish Point co-venturers and is part of the preparations for the drilling of an appraisal well in 2013, subject to rig availability and regulatory consents. The operations are expected to finish in early September. The site survey is being undertaken from a single boat, the "Kommandor Stuart".

Providence is currently the Operator of FEL 2/04 though recently agreed to transfer this role to Chrysaor. This change is subject to Irish government approval. Providence holds a 32% interest in FEL 2/04 with its partners Chrysaor (60%) and Sosina Exploration (8%).

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## **ABOUT PROVIDENCE**

Providence Resources Plc is an Irish based oil and gas exploration company whose shares are traded on the London AIM market and on Dublin's ESM market. Providence's portfolio of production, appraisal and exploration assets includes licence interests 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](http://www.providenceresources.com).

## **ABOUT CHRYSAOR**

Chrysaor is a wholly-owned operating subsidiary of Chrysaor Holdings Limited ("CHL"), a privately-owned exploration and production company backed by Barclays Natural Resources Investments ("BNRI") and a fund managed by Natural Gas Partners. BNRI is a division of Barclays Capital, the investment banking division of Barclays Bank plc.

CHL seeks to create value by focussing on the development and commercialisation of dormant oil and gas discoveries and incremental reserves. It has an experienced management team, with a proven track record of delivering real value in both public and private companies latterly as part of the CH4 Energy Limited, which was sold to Venture Production plc in 2006. Further information on CHL is available from CHL's website at [www.chrysaor.com](http://www.chrysaor.com).

In 2008, Providence and Sosina agreed a farm out with Chrysaor which provided for Chrysaor to conduct a significant appraisal work programme on the Spanish Point discovery in return for a 30% interest in Spanish Point. Chrysaor then had an option to earn a further 30% in the event it elected to drill an appraisal well on Spanish Point, with a further 10% equity being made available post drilling for a cash consideration.

## **ABOUT SPANISH POINT**

The Spanish Point gas condensate discovery was made by Philips Petroleum in 1981 with the drilling of the 35/8-2 well. Oil and gas were discovered in Upper Jurassic Volgian sands with one zone flowing at c. 5 MMSCFD and c. 1000 BOPD (c. 1800 BOEPD). The discovery was not appraised due to lack of gas infrastructure and market in Ireland at the time. In 2004, Providence/Sosina licensed the discovery and following in depth subsurface and pre-development studies, Chrysaor farmed in during 2008 by agreeing to fund a c. 300 sq km 3D seismic survey which was acquired in 2009. Evaluation of these data has confirmed a resource level of up to c. 510 MMBOE with c. 200 MMBOE recoverable. Peak production rates have been modelled at over 70,000 BOEPD and planning has commenced for an appraisal drilling programme.

## **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

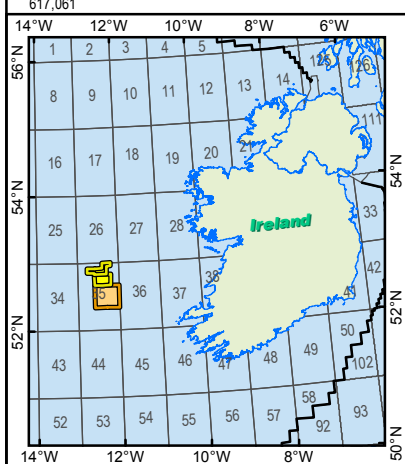
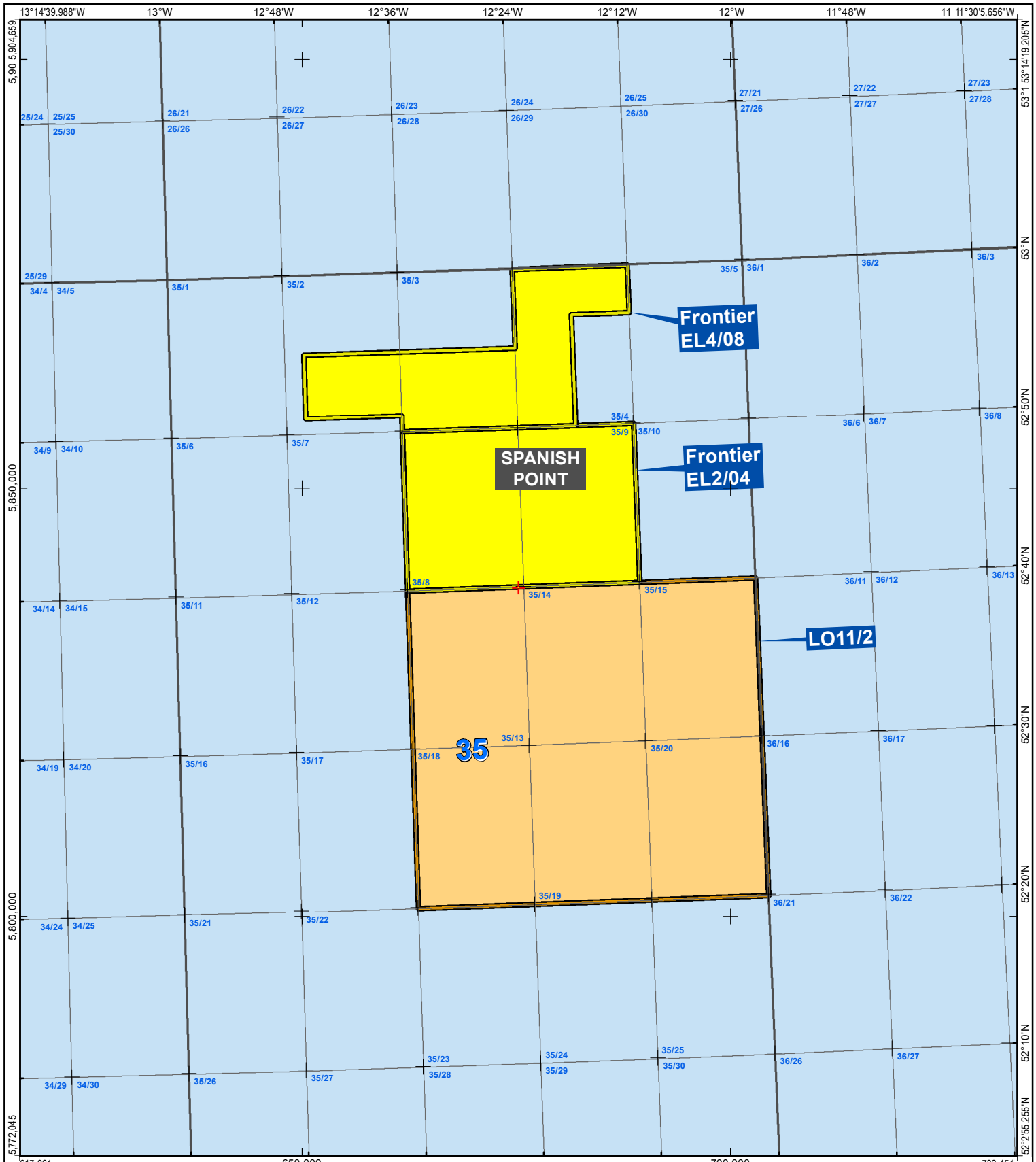
MMBOE Millions of Barrels of Oil

MMSCFD Millions of Cubic Feet of Gas per Day

## **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



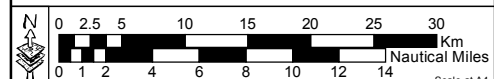
**Legend**

Providence Spanish Point Licences

-  Frontier Licence
-  Licence Option



**Offshore Ireland  
Spanish Point**



Coordinate System: ED 1950 UTM Zone 28N	1:600,000	1 cm = 6,000 m
Projection: Transverse Mercator	Center Point: Long./Lat: 12°24'30.179"W 52°39'56.308"N	
Datum: European 1950	XY [m]: 675,258 5,838,352	
False Easting: 500,000.0000	Date Saved: 27/08/2012 12:54:32	
False Northing: 0.0000	Date Exported: 27/08/2012 12:54:41	
Central Meridian: -15.0000	Drawn by: JC	
Scale Factor: 0.9996		
Latitude Of Origin: 0.0000		
Units: Meter		