

## Providence Resources P.I.c.

### TECHNICAL UPDATE NEWGRANGE PROSPECT GOBAN SPUR BASIN, OFFSHORE IRELAND

- **New 2D seismic data confirm the presence of the large Newgrange Cretaceous four-way dip closure**
- **Marked improvement in both structural and stratigraphic imaging over previous 2D seismic data**
- **Seismic velocity analysis indicates significant porosity preservation within the Cretaceous reservoir target**
- **Possible overburden shallow gas effects potentially supports hydrocarbon migration into licence area**

**Dublin and London – June 22, 2015** - Providence Resources P.I.c. (PVR LN, PRP ID), the Irish based Oil and Gas Exploration Company today is pleased to provide an update on Frontier Exploration Licence ("FEL") 6/14 ("Newgrange"). Providence Resources (80%) operates FEL 6/14 on behalf of its partner Sosina Exploration (20%) which lies in c. 1,000 metre water depth in the Goban Spur Basin and is c. 260 km off the south west coast of Ireland.

Providence has recently completed an initial evaluation of its licensed data from the newly acquired southern Porcupine Polarcus multi-client 2D regional seismic reflection survey. This initial work has been focused on the interpretation and mapping of the key Top Cretaceous reflection on the new long offset seismic profiles. This work has confirmed the previous interpretation that the Newgrange prospect comprises a significant c. 1000 km<sup>2</sup> four way dip closed structure. The crest of the Newgrange structure lies just c. 500 m BML and has a total structural elevation of c. 400 m. Current overburden fracture gradient analysis based on offset well data indicates a gas column top-seal capacity of up to c. 300 m. Both structural as well as stratigraphic imaging within the Newgrange prospect have been significantly improved with detailed carbonate seismic facies mapping now possible within the Cretaceous objective.

The Newgrange prospect reservoir interval demonstrates low seismic velocities (c. 3,000 metres/sec) versus those seen in the offset 62/7-1 well, which encountered a c. 950 m gross section of predominantly porous Cretaceous carbonates. These velocities would indicate porosities in excess of c. 30% at the Newgrange prospect. Notable also are interpreted shallow gas effects in the Cenozoic overburden on the northwest flank of the prospect, which may provide evidence of hydrocarbon migration into the Newgrange licence. Further work on the Newgrange prospect is ongoing together with an evaluation of the underlying stacked Jurassic potential.

Speaking today, John O'Sullivan, Technical Director of Providence said:

*"Similar to the giant Kinsale Head Gas Field off the south coast of Ireland, our Newgrange prospect also comprises a shallowly buried Cretaceous four way dip-closure. The Newgrange structure is however areally far more significant, being about ten times that of Kinsale Head whilst also enjoying a higher pressure regime due to its deeper water location. The offset 62/7-1 well has demonstrated the potential for massive Cretaceous carbonate development locally and the new seismic velocity data signal excellent porosity preservation at Newgrange. We view hydrocarbon source rock adequacy and access as the key risks at Newgrange, however, the new evidence for potential shallow gas is encouraging. Whilst further studies are ongoing, we believe that the combination of material and high density prospective resources with low exploration drilling costs should serve to promote Newgrange as a very attractive deep-water exploration proposition from a risk-reward perspective."*



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## **ABOUT PROVIDENCE RESOURCES**

Providence Resources is an Irish based Oil and Gas Exploration Company with a portfolio of appraisal and exploration assets located offshore Ireland and the UK. Providence's shares are quoted on the AIM in London and the ESM in Dublin.

## **TERMS USED IN THIS ANNOUNCEMENT**

BML – Below Mud Line (Seabed)

km - Kilometres

m – Metres

## **ANNOUNCEMENT**

This announcement has been reviewed by Dr. John O'Sullivan, Technical Director, Providence Resources P.I.c. John is a geology graduate of University College, Cork and holds a Masters in Applied Geophysics from the National University of Ireland, Galway. He also holds a Masters in Technology Management from the Smurfit Graduate School of Business at University College, Dublin and a doctorate in Geology from Trinity College, Dublin. John is a Chartered Geologist and a Fellow of the Geological Society of London. He is also a member of the Petroleum Exploration Society of Great Britain, the Society of Petroleum Engineers and the Geophysical Association of Ireland. John has more than 25 years of experience in the oil and gas exploration and production industry having previously worked with both Mobil and Marathon Oil. John is a qualified person as defined in the guidance note for Mining Oil & Gas Companies, March 2006 of the London Stock Exchange.

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.