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ULYSSES GAS STORAGE PROJECT UPDATE

- Initial concept study completed by AMEC
 - Construction of gas storage facility economically and technically feasible
 - Gas storage capacity scenarios of up to c. 20 BCF with export rates of up to c. 1 BCFD
- Expressions of interest received from potential third party gas storage users

Providence Resources P.l.c. , ('Providence'), through its wholly owned subsidiary EIRGAS Limited ('EIRGAS'), is pleased to announce that it has completed the first phase of the AMEC conceptual development study for the ULYSSES salt cavern gas storage project in the Kish Bank Basin, offshore eastern Ireland.

The ULYSSES Project, which commenced in 2008, assessed the natural gas storage and carbon sequestration potential of the Kish Bank Basin, offshore Dublin. The initial phase of this new study, carried out by AMEC plc, which included planning, capacity modeling, infrastructural integration and gas sourcing has confirmed that the construction of an offshore natural gas salt cavern storage facility at the ULYSSES location is both economically and technically feasible. A number of scenarios have been developed which have an associated range in capacity, off-take export rates and capital expenditure. Detailed technical data relating to the subsurface geology, which will be acquired through the drilling of the Dalkey Island exploration prospect, will also assist with the advancement of this project.

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

"The initial results from the AMEC ULYSSES study are very encouraging as they provide a range of potential project sizes and development concepts which could be built to meet market requirements. In outline, if developed, ULYSSES could deliver c. 50% of Ireland's storage capacity as set out in EU directives through one dedicated offshore facility whilst also providing security of supply through the cold winter months. Having now established both the technical and economic potential of ULYSSES, we will now move to refine the future development plans, including the all important sub-surface technical parameters, and we will continue to advance discussions with potential users and partners."

Contacts:

Providence Resources P.I.c.

Tony O'Reilly/John O'Sullivan

Tel: +353 (0)1 219 4074

Powerscourt

Rob Greening/Lisa Kavanagh

Tel: +44 (0)207 250 1446

Murray Consultants

Pauline McAlester

Tel: +353 (0)1 498 0300

Cenkos Securities Plc

Joe Nally/ Nick Wells

Tel: +44 (0)207 397 8900

Davy

Stephen Barry

Tel: + 353 (0)1 679 6363

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.

About EIRGAS Limited

EIRGAS Limited is a SPV (special purpose vehicle) established by Providence to invest in gas storage and CCS opportunities offshore Ireland and the United Kingdom. EIRGAS is currently owned 100% by Providence.

About the ULYSSES Project

The **Undersea Large-scale Saline Sequestration and Enhanced Storage** (or ULYSSES) Project was designed to assess the potential use of Triassic aged saline sandstone reservoir sequences as possible sites for natural gas and carbon sequestration storage. The presence of saline reservoirs which are located c. 1.5 km below the seabed together with overlying sealing shale has been demonstrated in a number of oil and gas exploration wells which have been drilled in the Kish Bank Basin over the past c. 30 years. The project area is located approximately 20 km offshore Dublin.

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, Technical Director of Providence Resources P.I.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.

Terms used in this Announcement

BCF Billion Cubic Feet of Gas

BCFD Billion Cubic Feet of Gas per Day