

## **PROVIDENCE RAISES UP TO €18 MILLION**

### **DRILLING AT BLACKROCK TO COMMENCE IN JULY 2004**

Providence Resources P.l.c. today (Thursday, 29<sup>th</sup> April 2004) confirmed to shareholders at the Extraordinary General Meeting that the Company expected to raise up to €18 million to extend and develop its natural resources portfolio. The monies will be used in part to fund an exciting drilling programme at the Blackrock Prospect and also to implement the Company's strategy to conduct further appraisal work on Providence's other licence interests in the Celtic Sea and in the UK.

The Company confirmed to shareholders at the EGM that it expects to undertake a site survey on the Blackrock Prospect in May prior to the arrival of the drilling rig on site in July 2004.

The Company announced that, following Shareholders approval of the Resolution proposed and considered at the EGM, it will have successfully raised €10.15m by way of the issue of new equity, with a further €3.2 million to be raised through an underwritten rights issue. Warrants issued and to be issued have the potential to raise a further €5 million.

Over the last 12 months, the Company's portfolio in the Celtic Sea and in the UK has grown through a controlled programme of expansion. The Company's collective approach reflects a strategy to pursue appraisal and development synergies by combining existing discoveries with new large prospects to improve overall economics and reduce risk.

The main focus of current activity includes: the Blackrock Prospect; the Hook Head Prospect; the Glandore Prospect; the Dionysus Prospect; and the North Sea Skye Prospect.

The Company is also currently reviewing its UK North Sea offshore interests, with the view to applying for further acreage in the UK 22nd Licensing Round later this summer to allow for further expansion of the Company's UK portfolio.

Speaking to shareholders at this morning's Extraordinary General Meeting, Dr. Brian Hillery, Chairman, said:

*"The successful approval of the Subscription and the completion of the Rights Issue will mark a very significant event for Providence. The funds raised will allow the Company to fulfil its obligations under the drilling and testing programme for the Blackrock Prospect. The Company will continue to undertake work to realise the potential of its expanding Celtic Sea and UK interests.*

*"Last month, we announced details of our new Blackrock Celtic Sea Farm-In deal, where Providence together with our partners Midmar Energy Limited have entered into a heads of agreement with two international large scale partners Challenger Minerals Inc. and Palace Exploration Company to complete a drilling and testing programme on our Blackrock Prospect in the Celtic Sea.*

*“With today’s announcement securing our portion of the funding required, we would expect the site survey to commence on the Blackrock Prospect in May, with the drilling rig expected to be on site in July.*

*“The Company’s medium to long term objective is to realise the potential of the Group’s interests in Ireland and the UK, and generate value for our shareholders. We are on track to meet these objectives”.*

**Blackrock Prospect – Mainly Blocks 48/30 and 49/26 (Potential Oil Reserves)**

**Location:** Situated in the Celtic Sea, located 35km south of the Marathon-operated Kinsale Head gas field.

**Providence Interest:** 75% (to reduce to 37.5% post Farm-Out)

**Activity:** Detailed planning and negotiations with UK based partner Midmar Energy and with International partners Challenger Minerals and Palace Exploration for drilling and testing programme.

**Site survey to commence in May and drilling programme to commence in July.**

**Hook Head Prospect – Block 50/11 (Potential Oil and Gas Reserves)**

**Location:** Situated in the North Celtic Sea Basin, located to the east of Helvick and Ardmore.

**Providence Interest:** 80%

**Activity:** The Company intends to Farm-Out this interest in return for drilling on the Prospect.

**Glandore Prospect – Block 50/8 and 50/9 (Potential Oil Reserves)**

**Location:** Situated in the North East of the North Celtic Sea basin.

**Providence Interest:** 80%

**Activity:** Glandore is a large four way dip anticline, located in the North East of the North Celtic Sea basin. Technical work will commence on this area in 2004.

**Dionysus Prospect – Principally Block 42/21 and 42/26 (Potential Gas Reserves)**

**Location:** Situated in the St. George’s Channel Basis, includes a number of potential gas prospects.

**Providence Interest:** 80%

**Activity:** We are progressing well with the work programme, using modern techniques to improve the quality of seismic and review relevant well data. After comprehensive evaluation, we intend to adopt a collective drilling and assessment approach.

**Skye Prospect – Block 14/24-1 (Potential Oil and Gas Reserves)**

**Location:** Situated in the UK Central North Sea, adjacent to the Witch Ground Graben, which is a prolific hydrocarbon producing area.

**Providence Interest:** 45%

**Activity:** Work programme underway, due for completion in second half of 2004, involves re-evaluation of existing data. Farm-Out discussions with interested parties.

Ends.

Thursday, 29<sup>th</sup> April 2004

For reference:

[www.providenceresources.com](http://www.providenceresources.com)

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