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PROVIDENCE INCREASES INTEREST IN BARRYROE DISCOVERY FOLLOWING ASSET DEALS WITH LANSDOWNE

- **PROVIDENCE TAKES FURTHER 20% INTEREST IN BARRYROE OIL DISCOVERY**
 - THIRD PARTY AUDIT DEMONSTRATES BARRYROE AS HAVING 373 MILLION BARREL OIL RESOURCE (P50) POTENTIAL
- **PROVIDENCE TO ASSUME OPERATORSHIP OF BARRYROE**
 - PRE-DRILL 3D SEISMIC SURVEY EARLY 2011
 - PARTNERS DISCUSSING POTENTIAL FOR 2011 DRILLING
- **LANSDOWNE TO TAKE 10% EQUITY INTEREST IN HELVICK OIL FIELD**

Providence Resources P.L.C., (“Providence”) the Irish oil and gas exploration and production company, whose shares are listed in London (AIM) and Dublin (ESM), is pleased to announce that it has increased its equity stake in, and assumed Operatorship of, the Barryroe oil discovery (“Barryroe”) in the North Celtic Sea, offshore Ireland. Separately, Providence has agreed to assign a 10% non-operated interest in the Helvick oil field, contained in Standard Exploration Licence (SEL) 2/07 in the North Celtic Sea Basin, to Lansdowne Oil and Gas plc (“Lansdowne”).

Subject to Irish governmental approval, the revised equity partnership in Barryroe will be Providence (50%), San Leon Energy (30%) and Lansdowne (20%), whilst at Helvick, the revised equity participation in SEL 2/07 will be Providence (62.5%), Atlantic Petroleum (18.333%), Lansdowne (10.0%) and Sosina (9.1667%).

Having agreed this revised Barryroe equity participation, the partners have commenced planning for a new 3D seismic survey over the eastern flank of Barryroe. This survey, which is expected to be acquired during the first half of 2011, will be used to plan for an appraisal/pre-development well designed to progress Barryroe to first oil. Previous studies have indicated that complex reservoir architecture together with the waxy nature of the Barryroe crudes could pose a challenge to commercial development. However, the partners believe that modern 3D seismic data, in tandem with horizontal artificially lifted well completions in the current oil price environment, should help to

circumvent these issues. The partners have also commenced discussions with other Irish operators on potential rig availability for a pre-development well on Barryroe in 2011.

A third party audit carried out by RPS Energy for Lansdowne indicated P50 and P10 STOIP estimates for Barryroe of 373 MMBO and 893 MMBO, respectively. The corresponding 2C and 3C Barryroe recoverable contingent resources are 59 MMBO and 144 MMBO, respectively.

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

“Given the magnitude of the potential resources identified in the 2009 Barryroe audit, we are delighted to be in a position to increase our equity interest by assuming the role of operator for the project. The potential presence of hundreds of millions of barrels of oil in place in the shallow waters off the south coast of Ireland is a huge prize. Working with our partners, we now plan to drive this project towards early appraisal, with an initial 3D seismic survey, followed by drilling.”

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EXPLANATORY NOTES

About Providence

Providence Resources Plc is an independent oil and gas exploration and production company listed on the AIM market in London and on Dublin's ESM market. Providence's active oil and gas portfolio includes interests in Ireland, the United Kingdom, the United States (Gulf of Mexico) and West Africa (Nigeria). Providence's portfolio is balanced between production, appraisal and exploration assets, as well as being diversified geographically. Further information on Providence and its oil and gas portfolio, including Annual Reports are available from Providence's website at www.providenceresources.com. Through a 100% owned subsidiary, EXOLA Limited, the company is engaged in the evaluation and potential development of unconventional oil fields offshore Ireland.

About Barryroe

The Barryroe Licence lies directly below the Seven Heads Gas Field where oil has been successfully tested at flow rates of between 1,300 and 1,600 BOPD, from three exploration or appraisal wells. The reservoir sands are of Cretaceous Middle and Lower Wealden age located between c. 4,500' TVDSS and 7,550' TVDSS. The oil is light (30 to 42 degrees API) and contains relatively high wax content ranging from 12 to 22 per cent, which may require treatment at surface.

About Helvick

The Helvick oil field was discovered in 1983 by Gulf Oil with the drilling of the 49/9-2 discovery well. This well encountered oil and gas in a downthrown Jurassic tilted fault block trap on the northern margin of the North Celtic Sea Basin, offshore Ireland. The 49/9-2 well was tested and flowed at a cumulative rate of c. 10,000 BOEPD from four zones. Subsequent to the discovery well, a further three wells have been drilled on the Helvick field to date, all of which have logged and/or flowed oil/gas to surface. Integration of the well data with reprocessed 3D seismic data has suggested that the field is of limited areal extent with c. 10 MMBL STOIPP. However, due to the highly productive nature of the reservoir (the suspended 49/9-2 and 6z wells tested at a cumulative rate of c. 15,000 BOEPD), it is possible that any commercial reserves in the Helvick field could be recovered in an extremely short time period which should positively impact development economics. Providence is currently carrying out a development feasibility study of the Helvick field.

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. Definitions in this press release are consistent with SPE guidelines.

Glossary of terms used in this Announcement

ALL FIGURES QUOTED ARE GROSS FIGURES, UNLESS OTHERWISE STATED

BOPD Barrels of Oil per Day

MMBO Millions of Barrels of Oil

BOEPD Barrels of Oil Equivalent per Day

STOIPP Stock Tank Oil Initially In Place

TVDSS True Vertical Depth Subsea

SPE/WPC/AAPG/SPEE Petroleum Resource Management System 2007 has been used in preparing this announcement