

Embargo 7am
7th February 2011



PROVIDENCE AND SHELL SIGN MEMORANDUM OF AGREEMENT

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 confirm that it has signed a Memorandum of Agreement with Shell International Trading and Shipping Company Limited to negotiate an oil off take sale and purchase agreement relating to future potential oil production from its Barryroe and Hook Head oil discoveries, located in the North Celtic Sea Basin off the south coast of Ireland.

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NOTES TO EDITORS:

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.

About Shell Trading

The Shell Trading business encompasses the full range of trading and shipping activities throughout the Shell Group. With trading volumes of about 13 million barrels of oil equivalent per day, spread over physical crude oil, refined products, natural gas, electrical power, chemical feedstocks and environmental products, the organisation has the skill base and international scope to capitalise on trading opportunities inherent in Shell's asset and market positions around the world. For more information, visit www.shell.com.

About Barryroe

The Barryroe oil discovery 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. A third party audit carried out by RPS Energy for Lansdowne indicated P50 and P10 STOIIIP 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. Providence holds an operated 50.0% interest in Barryroe with partners San Leon Energy plc (30.0%) and Lansdowne Oil & Gas plc (20.0%).

About Hook Head

The Hook Head oil discovery is located in the North Celtic Sea Basin in c. 80 metre water depth and is situated some c. 65 kilometers off the south coast of Ireland. Originally discovered by Marathon oil in 1971, four wells have been drilled to date on the structure all of which have either logged and/or tested hydrocarbons to surface. Analysis suggests that the oil appears to be a high pour point crude with a gravity of 27° API and wax content of 10-20%. The most recent in-house volumetric estimates suggest that this oil accumulation could contain an in place resource potential of up to c. 120 MMBO. Providence currently holds an operated 72.5% interest in Hook Head with partners Atlantic Petroleum (18.5%) and Sosina Exploration (9%). In October 2010, Providence granted Sosina Exploration an option to acquire a 50% equity interest in Hook Head in return for the for the drilling of an appraisal well in 2011.

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, Exploration Manager of Providence Resources P.l.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.

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