

## **OPERATIONAL UPDATE FRONTIER EXPLORATION LICENCE 6/14 NEWGRANGE, GOBAN SPUR BASIN**

- **SEABED SAMPLE GEOCHEMICAL ANALYSES SUPPORT HYDROCARBON SOURCING**
- **BURIED POCKMARKS DEMONSTRATE PROLONGED HYDROCARBON MIGRATION**
- **FARM-OUT DISCUSSIONS CONTINUING WITH POSSIBLE NEAR-TERM DRILLING**

**Dublin and London – October 15, 2018** - Providence Resources P.l.c. (PVR LN, PRP ID), the Irish based Oil & Gas Exploration Company, today provides an update on Frontier Exploration Licence (“FEL”) 6/14 that contains the Newgrange Prospect. FEL 6/14 is operated by Providence Resources P.l.c., on behalf of its partner Sosina Exploration Limited (20%), collectively referred to as the Newgrange Partners, and is situated in c. 1,000 m water depth being c. 260 km off the south-west coast of Ireland.

### **Initial Evaluation**

In July 2018, the Company announced that the Newgrange Partners had successfully completed a site survey which comprised the acquisition of data suitable for input to an application for the permitting of a Newgrange exploration well using Gardline’s M/V Kommandor vessel. The initial analysis of the seabed data over the proposed Newgrange well location confirmed the presence of more than 100 seabed pockmark features, which was interpreted by the Newgrange Partners to be the result of fluid seepage from the underlying geology. As part of the data acquisition programme, the Company acquired seabed samples which have now been independently analysed for hydrocarbon presence.

### **Updated Evaluation**

Third party detailed evaluation of these data has now confirmed the presence of 262 present-day seabed pockmarks. Geochemical analysis of seabed samples acquired during this programme has confirmed the presence of both biogenic and thermogenic hydrocarbon sourcing signatures indicating the pockmarks are possibly related to hydrocarbon migration. In addition, high resolution sub-bottom 2D data have revealed buried pockmark fields up to c. 100 metres beneath the seabed possibly indicating active hydrocarbon migration over a prolonged period.

### **Forward Operations**

Discussions with potential third party farminees are continuing and depending on the outcome of these discussions, drilling could take place in either 2019 or 2020 (subject to regulatory consent). The latest internal well cost estimate is less than \$15 million, exclusive of mobilisation.

Commenting today, Dr John O’Sullivan, Technical Director of Providence Resources said:

*“The quantum of current seabed pockmarks, together with the positive geochemical analyses, support the presence of potential active source rocks in the area that could be charging Newgrange with either liquids or gas. In addition, the presence and extent of the buried pockmark fields attest to the longevity of these potential sourcing systems, confirming that they are not just a present-day phenomenon. Whilst Newgrange is frontier in nature, the material prospective resources and low drilling cost continues to attract industry interest and we believe that these new technical data should serve to further bolster that enthusiasm.”*

### **INVESTOR ENQUIRIES**

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### **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.

### **ABOUT PROVIDENCE RESOURCES**

Providence Resources is an Irish based Oil & Gas Exploration Company with a portfolio of appraisal and exploration assets located offshore Ireland. Providence's shares are quoted on the AIM in London and the ESM in Dublin. Further information on Providence can be found on [www.providenceresources.com](http://www.providenceresources.com)

### **ABOUT NEWGRANGE**

The Cretaceous Newgrange carbonate prospect is located in c. 1,000 metre water depth and is situated in the Goban Spur Basin. The prospect is a four-way dip closure which covers c. 1,000 square kilometres with c. 300 metres of vertical relief. The crest of the prospect lies just c. 500 metres BML and therefore top-seal capacity was a major focus of the prospect risk mitigation process. A seal capacity analysis, which utilized offset well data, seismic velocity data and surface mapping has however indicated that the present-day top seal could potentially contain up to a c. 350 metre hydrocarbon column. This seal capacity analysis was used in the latest volumetric estimate.

A revised volumetric estimation was carried out for the Newgrange prospect incorporating the recently acquired (2014) 2D long offset seismic reflection profile data as part of the Exploration Collaboration Project with Schlumberger. This work significantly increased the un-risked prospective resource potential to c. 13.6 TSCF GIIP (Pmean, Gas Case) or c. 9.2 BBO STOIIIP (Pmean, Oil Case). Oil and gas cases were modelled due to the uncertainty in the hydrocarbon phase which may be applicable in this area.