

FOR IMMEDIATE RELEASE

## CORPORATE UPDATE

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**Dublin and London – August 20, 2019** - Providence Resources P.l.c. (PVR LN, PRP ID), the Irish based Energy Company (“**Providence**” or the “**Company**”), today provides the following corporate update which includes a commercial and operational update in relation to Standard Exploration Licence (“**SEL**”) 1/11 which contains the Barryroe oil accumulation (the “**Barryroe Project**”). SEL 1/11 is operated by EXOLA DAC (“**EXOLA**” or the “**Operator**”, 40%), a wholly-owned Providence subsidiary, on behalf of its partners, APEC Energy Enterprises Limited (“**APEC**”) and Lansdowne Celtic Sea Limited (“**Lansdowne**”, 10%), collectively the “**Barryroe Partners**”. The area lies in c. 100-metre water depth in the North Celtic Sea Basin and is located c. 50 km off the south coast of Ireland.

On June 5, 2019, the Company announced that it had agreed certain amendments to the Farm-Out Agreement (the “**Updated FOA**”) for the Barryroe Project with APEC and Lansdowne, including a revised backstop date with APEC for receipt of the US\$ 9 million loan advance to June 14, 2019, which was subsequently extended through various extensions to August 19, 2019.

### **Extension of Backstop Date**

As at close of business on August 19, 2019, no funds had been received in the Company’s account but the Company has again received assurances that the US\$ 9 million loan advance due under the Updated FOA is in the process of being paid. Accordingly, the Barryroe Partners have agreed to a backstop extension of on or before August 26, 2019.

### **Site Survey**

On August 9, 2019, the Barryroe Partners confirmed that they have received permission from the Minister of State at the Department of Communications, Climate Action and Environment to undertake a seabed debris clearance, environmental baseline and habitat assessment site survey (the “**site survey**”) over the area of the Barryroe field within SEL 1/11.

Whilst the implementation of the site survey is subject to the receipt of funding from APEC or alternative financing arrangements being put in place, the Company has agreed payment of the contractual mobilization fee to ensure that the contracted vessel can mobilise to Ireland. The nominated vessel is currently finishing up activities in the North Sea prior to its planned mobilization to Ireland, which is expected to occur later this week, with an expected commencement of operations prior to month end.

### **Proposed Business Re-engineering**

On August 5, 2019, the Company also advised of the proposed re-engineering of Providence's business model. In addition to the Company announcing that it will vacate its current Dublin office in early Q4 2019 and relocate to a smaller serviced office facility, that the size and composition of the Board will change and that the use of various service providers and advisors will be reduced, the Company also advised that all technical and support staff will be made redundant. The Company projects that, when implemented, the re-engineering will reduce the annual cost base of the business (excluding CAPEX) from US\$5.3 million currently to US\$1.9 million, representing a c. 65% reduction in total annualised costs.

Today, the Company updates that all technical and support staff affected by the proposed re-engineering are no longer reporting to work and that, subject to the receipt of the loan advance or alternative financing arrangements being put in place, final Settlement Agreements agreed between the Company and the staff will be signed and the redundancies will be implemented.

### **Working Capital**

On August 5, 2019, the Company announced that, as of August 2, 2019, the Company had unaudited cash balances of approximately US\$1.45 million and that, in the event that the loan advance was not received from APEC by the revised backstop extension, and noting the creditors on the balance sheet and existing forward commitments, including the planned site survey at Barryroe and the proposed business re-engineering, the Company would need to put in place alternative financing arrangements in order to provide it with sufficient working capital beyond the end of August 2019.

The Company has continued to review and revise its working capital position to reflect the corporate and operational matters outlined above. Accordingly, the Company updates that, in the event that the loan advance is not received by APEC, the date by which it will need to have in place alternative financing arrangements in order to provide it with sufficient ongoing working capital has been extended into the third week of September 2019.

Further announcements will be issued when and as appropriate.

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### **ANNOUNCEMENT & FORWARD-LOOKING STATEMENTS**

This announcement contains certain forward-looking statements. Actual results may differ materially from those projected or implied in such forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results. No representation is made that any of those statements or forecasts will come to pass or that any forecast results will be achieved. You are cautioned not to place any reliance on such statements or forecasts. Those forward-looking and other statements speak only as at the date of this announcement. Providence Resources P.l.c undertakes no obligation to update any forward-looking statements.

### **ABOUT PROVIDENCE RESOURCES PLC**

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

### **ABOUT APEC ENERGY ENTERPRISE LIMITED**

APEC Energy Enterprise Ltd. was established in 2014 as a Hong Kong registered company with headquarters in Beijing. In addition to its original focus on offshore oil & gas services, APEC provides upstream energy acquisition advice and management services in partnership with Chinese Oil Companies, offshore and onshore service providers, and SOE investment groups. [www.apecenergy.com](http://www.apecenergy.com).

### **ABOUT LANSDOWNE OIL & GAS PLC**

Lansdowne Oil & Gas is a North Celtic Sea focussed oil and gas exploration company quoted on the AIM market and headquartered in Dublin. Lansdowne holds acreage in the north Celtic Sea Basin, Ireland. For more information on Lansdowne, please refer to [www.lansdowneoilandgas.com](http://www.lansdowneoilandgas.com)