



## **BACKGROUND BRIEFING NOTE**

### **TECHNICAL UPDATE RATHLIN BASIN, NORTHERN IRELAND SEPTEMBER 19<sup>th</sup>, 2012**

#### **Who's involved?**

Providence Resources Plc (100%, Operator)

#### **What's the news?**

Providence has provided its first technical update on the ongoing evaluation of exploration opportunities in its licence interests in Northern Ireland. These licence interests are contained in 6 offshore blocks in the Rathlin Basin, and 1 onshore block at Rathlin Island.

#### **What were the key points?**

New geophysical data (FTG gradiometry) has been acquired over the entire licenced acreage, in order to identify prospective geological structures within the basin, both onshore and offshore. Following initial interpretation, five potential drillable geological structures have been identified. These targets are predominately in offshore waters, however there is a possibility that one of the targets may be reached by an onshore well.

The identified structures are still in early stages of geological and geophysical analysis, and further work is to be carried out before a "ready to drill" target is achieved. This future work scope includes re-processing existing 2D seismic data which was acquired in the 1980's, and is of poor data quality, due to the presence of chalk at the seabed. It is hoped that re-processing this dataset with modern techniques will improve the data quality, and the data can then be integrated into the newly acquired FTG data to support and confirm the FTG interpretation. Initial scoping reviews are also being carried out to identify drilling locations from which these targets may be reached.

#### **So what does this mean?**

Encouraging but early days – this is merely an update to give stakeholders a better understanding of what we are doing – this is the first time that we have issued an update on what we are doing since we were licensed the acreage. Obviously, as we advance our plans, further direct interfacing with stakeholders would take place.

#### **Does this mean that there will be drilling and if so where?**

Yes, ultimately, the results are encouraging, and point towards future drilling. However, it is early days and more analysis needs to be carried out before firm drilling plans are made.

As such, no decision has been taken of where to drill and naturally, as we have communicated to stakeholders previously, no drilling activities would be undertaken without consultation with the relevant stakeholders and of course, all activities would be subject to relevant environmental and safety conditions imposed by the DECC and DETINI. As the Company has licensed both onshore and offshore blocks, both options are currently available for drilling locations.

#### **When would you expect drilling would take place?**

Again, not determined – but is unlikely to occur within the next 12 months.

#### **Will fracking be involved?**

No, fracking operations do not form part of our exploration activity work scope.