

3 December 2010

## **Lansdowne Oil & Gas plc**

(“Lansdowne” or the “Company”)

### **Licensing Option 08/1 (Barryroe) Plans for 3D Seismic in 2011 and Asset Swap with Providence Resources plc**

Lansdowne Oil & Gas plc (AIM: LOGP), the Dublin-based exploration company, is pleased to announce plans to acquire 3D seismic in early 2011 over the Barryroe oil accumulation (Licensing Option 08/1)

In addition, Lansdowne and Providence Resources plc (“Providence”) have agreed an asset swap, whereby, subject to the Ministerial consent :

- Lansdowne will assign Providence a 20 per cent interest in Licensing Option 08/1, leaving Lansdowne with 20 per cent, and Providence will assume the role of Operator
- Providence will assign Lansdowne a 10 per cent interest in the Helvick Oil field (held in Standard Exploration Licence 02/7)

Subject to Ministerial consent, the revised equity participation in The Barryroe Licensing Option will be Lansdowne (20 per cent), San Leon Energy plc (30 per cent) and Providence (50 per cent), and the revised equity participation in the Helvick Oil Field (SEL 2/07) will be Providence (62.5 per cent), Atlantic Petroleum (18.333 per cent), Lansdowne (10.0 per cent) and Sosina (9.1667 per cent).

#### **Barryroe**

Within the Barryroe area, oil has historically been successfully tested at flow rates of between 1,300 and 1,600 BOPD from three wells drilled by Esso in the 1970’s and by Marathon in 1990. The reservoir sands are in the Cretaceous Middle and Lower Wealden sequences between 1,400m and 2,300m (approximately 4,600ft to 7,550ft) below sea level. The oil is light (30 to 42 degrees API) with relatively high wax contents ranging from 12 to 22 per cent.

Over the last two years additional subsurface and conceptual development engineering studies have been carried out, in conjunction with studies to assess the optimum parameters for acquiring 3D seismic data.

The Barryroe partners have concluded that 3D seismic is the appropriate next step in the appraisal process and plans to contract a boat to acquire the data in the spring of 2011 are underway. Following interpretation of the 3D seismic data, the partners plan to move quickly to drill an appraisal well, which could commence later in 2011.

## **Helvick**

The Helvick field is situated some 40km offshore Ireland in c. 80m (265 ft) water depth. The field was discovered in 1983 by Gulf Oil with the drilling of the 49/9-2 discovery well. This well was tested and flowed at a cumulative rate of c. 10,000 BOPD from four zones.

The Helvick oil is a light (44° API) and non-waxy crude oil, contained in high permeability Upper Jurassic sands. The field has been appraised by the 49/9-3 and 49/9-6, 6Z wells which have resulted in estimates of in place resources of c.10 million barrels.

Despite modest in place resources, the high productivity of the Helvick reservoir could allow for commercial development of the field. Providence, as Operator, has carried out a review of a number of low cost development options that, under the current conditions of high oil price, indicate commercial production could be achieved. Further work is planned to lead to a development decision in 2011 and a fast track development could lead to first oil within 2 years of project sanction.

Dr, Steve Boldy, CEO of Lansdowne, commented:

“The firming up of plans for 3D seismic in 2011 is important and exciting news for Lansdowne. We are also very pleased to have secured participation in the Upper Jurassic Helvick oil field. This allows us to join a project at a more advanced appraisal status than Barryroe, with the potential for a shorter lead time to first production.

Furthering our knowledge of the Upper Jurassic oil play through participation in Helvick will assist us in pursuing our Amergin (SEL 5/08) and Lee (Licensing Option 09/1) concessions along the northern margin of the Celtic Sea, where the Upper Jurassic forms the main target.

Lansdowne has a broad portfolio of opportunities in the Celtic Sea and now that a forward programme has been finalised for Barryroe, our focus will be on advancing our other projects – notably the Amergin, Rosscarbery, Middleton and East Kinsale prospects”.

## **Enquiries:**

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This resource update has been reviewed and approved by Steve Boldy, Chief Executive of Lansdowne. Steve Boldy is a geology graduate with a Ph.D from Trinity College Dublin and is a member of the Petroleum Exploration Society of Great Britain. He has 30 years experience in the oil and gas exploration sector and is a qualified person as defined in the guidance note for Mining, Oil & Gas Companies, March 2006 of the London Stock Exchange.

## **Notes to Editors**

### **About Barryroe**

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.

Three wells within the 08/1 (Barryroe) Licensing Option area have tested oil:

48/24-1 drilled by Esso in 1973/1974 tested oil from Middle Wealden sands at an aggregate rate of 1,300 barrels per day

48/28-1 drilled drilled by Esso in 1974 tested oil from a Middle Wealden sand at 1,527 barrels per day

48/24-3 drilled by Marathon in 1990 tested oil from Lower Wealden sands at an aggregate rate of 1,619 barrels per day

### **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 BOPD 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 STOIP. 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.

## **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

STOIP Stock Tank Oil Initially In Place