Embargo: 7:00am
28 September 2012

PROVIDENCE RESOURCES P.l.c.

("Providence" or the "Company")

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2012

OPERATIONAL HIGHLIGHTS

- **Barryroe drilling results** - March 2012: successful drilling of 48/24-10z well with tested flow rates of 3,514 BOPD and 2.93 MMSCFGD (4,000 BOEPD), which materially exceeded pre-drill expectations; additional gas interval also successfully tested

- **Barryroe resource assessment** – March to September 2012:`post-well analysis and updated mapping, based on new 3D data confirms a large total P50 oil resource potential at Barryroe of 1,821 MMBO (P10 resource of 2,777 MMBO)

- **Dunquin exploration programme** – September 2012: Letter of intent signed for a rig for an exploration well to be drilled in Q1 2013

- **Other pre-drilling preparation works** – pre-drilling works on various assets including Dalkey Island (foreshore licence process), Spanish Point (site survey), Rathlin (FTG study) and Dragon (seismic re-processing)

FINANCIAL HIGHLIGHTS

- **Share placing** – April 2012: placing of 13.149 million new ordinary shares at £4.80 per share to raise gross proceeds of US$100 million (£63 million)

- **Bond repayment** – July 2012: repayment of final balance on Convertible Bond of €11.017 million from proceeds from the April share placing; during the period, total bond repayments of €34.3 million were made

- **Sale of UK onshore assets** - September 2012: agreement to sell UK assets (Singleton, Baxter's Copse and Burton Down) to IGas Energy Plc for a consideration of $66 million

INTERIM FINANCIAL RESULTS TO 30 JUNE, 2012

- Revenue from continuing operations increased 35.5% to €7.746 million (H1 2011: €5.717 million)
- Loss from operating activities amounted to €27.864 million (H1 2011: loss €3.191 million) due to €28.3 million impairment charges for UK onshore assets.
- Loss before tax of €29.730 million (H1 2011: Loss of €9.832 million)
- Loss for the period of €33.295 million (H1 2011: Loss €16.355 million)
- 60.41 cents loss per share from continuing operations (H1 2011: Loss 28.92 cents)
- Cash and cash equivalents at 30 June of €41.145 million plus restricted cash of €3.473 million
-

Commenting on today's results, Tony O'Reilly, Chief Executive of Providence, said:

"For many years, Providence has been strident in its views on the material hydrocarbon prospectivity of the Irish offshore. I am therefore pleased to report that, during the period under review, we successfully turned the drill bit and confirmed just some of the area's huge potential. The drilling, testing and post well analysis of Barryroe has exceeded expectations and we now look forward to advancing this large oil project towards development. Barryroe represents a truly world-class oil resource and its importance should not be underestimated, not just in terms of the future plans for Providence, but also for the renaissance of the Irish offshore sector.

"However, it should be remembered that Barryroe represents only the first stage of our multi-faceted drilling programme which spans six basins off the island of Ireland. Accordingly, pre-drill activities continue apace across our portfolio and during the period, we were pleased to report on-going progress on a number of our other projects. This included the successful completion of the Spanish Point site survey by Chrysaor, who are to assume operatorship of the project as part of the ramp up to drilling, the signing of a letter of intent for a deepwater rig to drill the Dunquin prospect by ExxonMobil, and the on-going foreshore licence application to drill an exploration well on the Dalkey Island prospect, offshore Dublin.

"During what has been an exceptionally busy time for your Company, we were also pleased to be able to raise appropriate funding to facilitate our drilling programme, in addition to reducing corporate debt levels. The balance sheet restructuring, which started with the repayment of the convertible bond, is currently being completed with the proposed sale of our onshore UK asset portfolio to IGas Energy Plc**.** This US$ 66 million transaction will show a substantial gain on our original investment in Singleton in 2007, will result in Providence being debt free and will provide additional working capital to finance our drilling programme in 2013.

"In summary, as the leading Irish-focused E&P company, it is important that we continue to lead the way in building on the momentum created by our success and take full advantage of the advances in technology, infrastructure, the favourable fiscal regime and higher oil prices as we look to unlock the region's substantial hydrocarbon potential. In doing so, we are more confident than ever of being able to deliver real long term value for all of Providence's shareholders."

Tony O'Reilly
Chief Executive **September 28, 2012**

Contacts:

Providence Resources Plc Tony O'Reilly / John O'Sullivan	Tel: +353 (0)1 219 4074
Powerscourt Lisa Kavanagh / Rob Greening	Tel: +44 (0)207 250 1446
Murray Consultants Pauline McAlester / Pauline Dooley	Tel: +353 (0)1 498 0300
Cenkos Securities Plc Adrian Hargraves / Nick Wells	Tel: +44 (0)207 397 8900
J&E Davy Eugenee Mulhern	Tel: + 353 (0)1 679 6363
Liberum Simon Atkinson / Clayton Bush	Tel: +44 203 100 2000

About Providence

Providence Resources Plc is an Irish based oil and gas exploration company with a portfolio of appraisal and exploration assets in Ireland (offshore) and the United Kingdom (offshore). In 2011, Providence, along with its partners, commenced a circa US$500 million multi-year drilling programme on a number of exploration and development wells in 6 different basins offshore Ireland. This programme represents the largest drilling campaign ever carried out offshore Ireland. *www.providenceresources.com*.

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 over 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.

Glossary of terms used in this Announcement

ALL FIGURES QUOTED ARE GROSS FIGURES, UNLESS OTHERWISE STATED

BOPD	Barrels of Oil per Day
MMSCFGD	Million Standard Cubic Feet of Gas per Day
MMBO	Millions of Barrels of Oil
BOEPD	Barrels of Oil Equivalent per Day
BOE	Barrels of Oil Equivalent (1 BOE = 6,000 SCFG)
BBOE	Billion Barrels of Oil Equivalent
BSCF	Billion Standard Cubic Feet of Gas

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

LIST OF ASSETS

Asset	Basin	Operator	%	Type
IRELAND				
Barryroe	Celtic Sea	Providence	80.0%	Oil development
Hook Head	Celtic Sea	Providence	72.5%	Oil and gas discovery
Dunmore	Celtic Sea	Providence	72.5%	Oil discovery
Helvick	Celtic Sea	Providence	62.5%	Oil and gas discovery
Nemo	Celtic Sea	Providence	54.4%[1]	Oil and gas discovery
Baltimore	Celtic Sea	Providence	60.0%	Oil discovery
Marlin	Celtic Sea	Providence	30.0%[2]	Oil and gas exploration
Dalkey Island	Kish Bank	Providence	50.0%	Oil and gas exploration
ULYSSES	Kish Bank	EIRGAS[3]	50.0%	Gas storage evaluation
Kylemore	Slyne Basin	Providence	66.6%	Gas exploration
Shannon	Slyne Basin	Providence	66.6%	Gas exploration
Spanish Point	Main Porcupine	Providence	32.0%	Oil and gas development
Burren	Main Porcupine	Providence	32.0%	Oil discovery
Wilde/Beehan	Main Porcupine	Providence	32.0%	Oil and gas exploration
Cama (North and South)	Main Porcupine	Providence	32.0%	Oil and gas exploration
Rusheen (North and South)	Main Porcupine	Providence	32.0%	Oil and gas exploration
Costelloe (Main, North and South)	Main Porcupine	Providence	32.0%	Oil and gas exploration
Shaw	Main Porcupine	Providence	32.0%	Oil and gas exploration
Synge	Main Porcupine	Providence	32.0%	Oil and gas exploration
Spanish Point South	Main Porcupine	Providence	32.0%	Oil and gas exploration
Dunquin	South Porcupine	ExxonMobil	16.0%[4]	Oil and gas exploration
Cuchulain	South Porcupine	ENI	3.2%	Oil and gas exploration
Drombeg	South Porcupine	Providence	80.0%	Oil and gas exploration
Newgrange	Goban Spur	Repsol	40.0%	Oil and gas exploration
Pegasus	St George's Channel	Providence	100.0%	Oil and gas exploration
Orpheus	St George's Channel	Providence	100.0%	Oil and gas exploration
Dionysus	St George's Channel	Providence	100.0%	Oil and gas exploration
Dragon[5]	St George's Channel	Providence	100.0%	Gas development

1 Subject to terms of farm out with Nautical (now part of Cairn)
2 Providence holds 60% of licence; Equity shown is net for Marlin Prospect
3 EIRGAS Limited is a 100% owned SPV established by Providence to invest in gas storage/ CCS opportunities offshore Ireland/UK
4 Subject to terms of farm out with ExxonMobil
5 Dragon sits 75% in Irish territorial waters/ 25% in UK territorial waters
6 Subject to offer from I-Gas Energy Plc

Asset	Basin	Operator	%	Type
UNITED KINGDOM				
Singleton[6]	Onshore, Weald	Providence	100.0%	Oil and gas production
Baxter's Copse[6]	Onshore, Weald	Providence	50.0%	Oil discovery
Burton Down[6]	Onshore, Weald	Providence	50.0%	Oil and gas exploration
Rathlin Island	Rathlin, N. Ireland	Providence	100.0%	Oil and gas exploration
Rathlin Basin	Rathlin, N. Ireland	Providence	100.0%	Oil and gas exploration
Dragon[5]	St Georges Channel	Providence	50.0%	Gas development

FINANCIAL HIGHLIGHTS

Financial results for the half year ending 30 June 2012

Revenues for the first half of 2012 from continuing operations were up 35.5% to €7.746 million from €5.717 million, due to increased volumes and higher oil prices. The average oil price per barrel achieved in H1 2012 was US$ 110.14 H1 2011: US$ 90.40). Overall production was 97,309 barrels of oil (H1 2011: 92,631).

The Company incurred a loss from operating activities of €27.864 million, (H1 2011: €3.191 million), due to impairment charges at the onshore UK operations, related primarily to the suspended drilling of the X12 well at Singleton in June due to mechanical and equipment issues. Following finance expenses, the loss before tax was €29.730 million, (H1 2011: loss of €9.832 million. After taxation expenses of €3.565 million (H1 2011: €1.346 million), the Company incurred an overall loss of €33.295 million (H1 2011: loss of €16.355 million). On a per share basis, this resulted in a 60.41 cent loss per share from continuing operations (H1 2011: loss 28.92 cent).

In April 2012, the Company raised US$ 100 million (£63 million) gross through the placing of 13.1 million new ordinary shares at a premium to market price, with the proceeds being used to strengthen the balance sheet by reducing net debt levels, as well as providing additional working capital for future drilling and seismic activities. As of June 30th, cash and cash equivalents were €41.145 million and there was a further €3.473 million of restricted cash related to the convertible bond and the Deutsche Bank facility. In July 2012, the Company made a final payment of €11.017 million to repay the convertible bond and this instrument has now been extinguished. Additionally, all outstanding warrants were exercised in the period realising €6.9 million.

OPERATIONAL HIGHLIGHTS

DRILLING SUMMARY

The Company continues to be focused on its multi-well drilling programme covering both appraisal and exploration projects in six geological basins offshore Ireland. This is the largest, concerted multi-basin, offshore drilling programme in the history of Ireland. It represents an investment of up to $500 million by Providence and its partners.

BASIN	ASSET NAME	WELL DESIGNATION	PLANNED DATE*
Celtic Sea	Barryroe	Appraisal	Completed
Kish Bank	Dalkey Island	Exploration	Q1 2013
South Porcupine	Dunquin	Exploration	Q1 2013
Main Porcupine	Spanish Point	Appraisal	Q2/Q3 2013
Rathlin	Rathlin	Exploration	Q1 2014
Dragon	St George’s Channel	Appraisal	Q1 2014

*Operator estimates based on relevant permit requirements and equipment availability/procurement.

KEY APPRAISAL ACTIVITIES

BARRYROE, North Celtic Sea Basin, offshore Ireland (80.0% interest)

HIGHLIGHTS

- **Well testing confirms light sweet high quality mobile oil (43^{o} API)**
- **Tested rates of 3,514 BOPD + 2.93 MMSCFD (4,000 BOED) from two sections**
- **Confirmation of marine influence in depositional setting**
- **Modelling of potential IP rates using average permeability of 400 md and standard 4.5" OD production tubing confirms that 1,000 ft horizontal well delivers 12,500 BOPD + 11 MMSCFGD**
- **Updated oil in place estimates:**

	P50 (MMBO)	P10 (MMBO)
MIDDLE WEALDEN	287	706
LOWER WEALDEN	416	663
BASAL WEALDEN	756	906
PURBECKIAN	362	502
TOTAL	1,821	2,777

- **New two year Licensing Option granted over c. 500 SQ KM area north and west of Standard Exploration Licence 1/11**

The Barryroe licence (SEL 1/11) lies in the North Celtic Sea and is a proven oil discovery situated c. 50 km offshore in c. 100 metres water depth. The field is operated by Providence (80%) on behalf of its partner Lansdowne (20%). The structure has had six wells drilled on it to date, all of which have either logged and/or successfully tested hydrocarbons. The latest well, 48/24-10z, was drilled by Providence earlier this year and was tested at c. 4,000 BOEPD without artificial lift. The field is fully covered by both 2D and new 3D seismic with the stacked reservoir sands being of Early Cretaceous Middle and Lower Wealden age located between 4,500 TVDSS and 7,550 TVDSS. The Barryroe crudes are light 30-43^{o} API with a wax content ranging from c. 17-23%. Oil resource estimates contained within SEL 1/11 total 1,821 MMBO (P50) and 2,777 MMBO (P10) with further evaluation being undertaken on any incremental potential in the recently awarded adjacent licensing option (LO 12/4). Work is currently ongoing on the dynamic modelling of the oil in place resources in the main Basal Wealden sand interval, which together with outline field development studies, will lead to a determination of recoverable reserves, the optimal path to first oil and associated economics. Results from this dynamic modelling are expected in the coming weeks.

SPANISH POINT, Main Porcupine Basin, offshore Ireland (32.0% interest)

HIGHLIGHTS

- **Commencement of appraisal well preparation activities**
- **Chrysaor assumes role of Operator**
- **Site survey operation undertaken in advance of planned 2013 drilling**
- **Results from Galleon 3D survey**

In 2009, Providence and its partners (Chrysaor and Sosina) acquired a c. 300 sq km 3D seismic survey over the Spanish Point licence, which contains the Spanish Point gas discovery and the adjacent Burren oil discovery. The Company subsequently announced encouraging results from this 3D seismic, which confirmed a resource level of up to c. 510 MMBOE in place with up to c. 200 MMBOE recoverable, with peak production rates having been modelled at over 70,000 BOEPD. This was followed, in the first quarter of 2011, with a confirmation by the partners to move to the next stage of licence, requiring a well commitment. Under the terms of its farm-in, Chrysaor elected to exercise its option to drill up to two appraisal wells on the Spanish Point discovery. In return for executing this work programme, Chrysaor doubled its equity participation in FEL 2/04 and FEL 4/08 from 30% to 60% and has assumed the drilling management role for the Spanish Point programme. As a result, Providence's equity has decreased to 32.0%. As part of the option, there is a financial cap of US$ 20 million on Providence's financial exposure to the drilling costs associated with two wells. The partnership has identified the appraisal well location at Spanish Point and a site survey has just been completed with plans for drilling in 2013 currently subject to regulatory consent and finalisation of rig availability.

In July 2011, the Company, on behalf of its partners Chrysaor and Sosina, acquired a c. 220 km^2 survey (the Galleon Survey) over the adjacent Frontier Exploration Licence (4/08) which lies to the north of Spanish Point. Processing of this seismic has now been completed and evaluation of a number of leads and prospects which were mapped on the previous 2D data is currently underway.

DRAGON, St George's Channel Basin, offshore Ireland (100.0% interest)

HIGHLIGHTS

- **Award of UK Licence P1930 over UK seaward block 103/1**
- **Discussions with Irish/UK authorities on consents for drilling an appraisal well have commenced**

The Dragon gas field straddles Standard Exploration Licence (SEL) 1/07 (Providence, 100% interest) in the St. George's Channel Basin of the Irish Offshore and UK Licence P1930 (Providence 50%, Star Energy 50%) offshore Wales. Both licences contain the mapped extension of the UK Dragon gas discovery into Irish waters, as well as the deeper Orpheus and Pegasus exploration prospects. Previous work on Dragon suggested an in-place resource of up to c.100 BCF with a 25:75 split between Ireland and the UK. Work carried out by IKON Geoscience determined that the Dragon gas bearing reservoir sands may be directly detectable from the 3D seismic data. Revised mapping using this inverted seismic data indicates that the Dragon gas field may extend further in to Irish territorial waters than had previously been mapped, with a larger potential resource base of up to 300 BCF and a c. 75:25 split between Ireland and the UK. Additional processing of the 3D seismic is on-going in relation to the drilling of an appraisal well and a farm-out campaign covering the St Georges Channel area continues.

OTHER APPRAISAL ASSETS

HOOK HEAD, Celtic Sea Basin, offshore Ireland (72.5% interest)

The Hook Head oil accumulation is located c. 60 km offshore Wexford in SEL 2/07 in the North Celtic Sea Basin. Providence (72.5%) operates Hook Head on behalf of its partners Atlantic Petroleum (18.33%) and Sosina (9.17%). The Hook Head structure is a large mid-basinal anticline where four wells have been drilled to date, all of which encountered hydrocarbon bearing sands. Two of these wells were drilled by Providence in 2007/08 with hydrocarbons encountered in both, although operational constraints resulted in limited test data. Further evaluation of the field suggests that the majority of the resource (estimated c. 120 MMBO) lies in the central part of the structure with the North and South flanks providing additional potential incremental resources for any future development in the area. This central area will be the focus of planned future drilling.

HELVICK, Celtic Sea Basin, offshore Ireland (62.5% interest)

The Helvick Field is located in Standard Exploration Licence (SEL) 2/07 in the North Celtic Sea Basin and is operated by Providence (62.5%) on behalf of its partners, Atlantic Petroleum (18.33%), Sosina (9.17%) and Lansdowne (10%). The co-venturers are currently reviewing a number of low cost development options including unmanned production buoys for the ultimate development of the Helvick field. Lansdowne has highlighted an independent reserve update on Helvick which stated that under the current conditions of high oil prices, commercial production at Helvick (3 MMBO Gross, 1.875 MMBO net 2C Contingent Resources) could be achieved and, as a result, first oil could potentially be achieved within two years of project sanction.

KEY EXPLORATION ACTIVITIES

DALKEY ISLAND, Kish Bank Basin, offshore Ireland (50.0% interest)

HIGHLIGHTS

- **Foreshore Licence application process ongoing**

The Lower Triassic Dalkey Island prospect is located c. 10km offshore Dublin in shallow water, with an in-place prospective resource potential of c. 870 MMBO. Providence (50%) operates the prospect, which is contained within SEL 2/11, on behalf of its partner PETRONAS. Similar aged prolific oil productive reservoirs have been discovered in the Liverpool Bay area of the East Irish Sea Basin, offshore UK and four wells drilled to date in the Kish Bank Basin have proven the presence of excellent quality Sherwood sandstone reservoir, Mercia Mudstone caprock as well as gas prone Upper Carboniferous source rocks. Oil shows in two of the four wells together with published airborne seep detection data suggests the presence of a Paleozoic oil prone source rock. A foreshore licence application has been submitted to the regulatory authorities and the relevant licence is awaited. The Company has started planning operations for the drilling of a well in the first half of 2013, subject to receipt of a foreshore licence.

DUNQUIN, South Porcupine Basin, offshore Ireland (16.0% interest)

HIGHLIGHTS

- **Drilling of an exploration well being planned for Q1 2013**
- **Letter of intent signed for Eirik Raude deepwater semi-submersible rig**

The Dunquin exploration prospect is located FEL 3/04 in the South Porcupine Basin. The prospect has associated P50 & P10 prospective recoverable resources of c. 1.7 BBOE & c. 3.7 BBOE, respectively. Recently, it was announced that the Operator, ExxonMobil, had signed a letter of intent with Ocean Rig UDW Inc. for the Eirik Raude semi-submersible drilling rig to drill the Dunquin prospect. ExxonMobil Exploration and Production (Offshore) Ireland Limited (27.5%) operates the licence on behalf of partners ENI (27.5%), Repsol (25%), Providence (16%) and Sosina (4%). Additional basin exploration targets include the Drombeg prospect (see below) and in the Cuchulain prospect (FEL 1/99, 3.2% interest).

RATHLIN, onshore Rathlin Island and offshore Rathlin Island (100% interest)

HIGHLIGHTS

- **Formal award of Rathlin Basin Licence P1885 (offshore) received**
- **New Airborne Full Tensor Gradiometry survey completed**
- **Initial interpretation confirms five significant anomaliesReprocessing of existing 2D seismic data is planned**
- **Exploration drilling location review has commenced**

The Rathlin Basin is located onshore/offshore Northern Ireland and is a Permo-Triassic rift system underlain by proven rich Carboniferous oil prone source rocks similar to the East Irish Sea Basin. The Providence interest is covered by licence PL5/10 onshore Rathlin Island and licence P1885 offshore

Rathlin Island. Since licensing the acreage, Providence's subsurface team has been actively engaged in the evaluation of existing 2D seismic, shallow and deep well bore and outcrop geological data. Work has identified conventional hydrocarbon prospectivity within the Lower Triassic Sherwood Sandstone Group reservoir interval, which is proven to exist in the basin and which is a prolific hydrocarbon productive reservoir in the nearby East Irish Sea Basin, offshore Liverpool. Further vertically stacked potential has been identified within the deeper Carboniferous section where sandstones with porosities of up to 29% have been recorded in onshore outcrops. To date, just one deep hydrocarbon exploration well has been drilled in the basin, the onshore Ballinlea-1. It was drilled by Rathlin Energy Limited who reported that samples of good quality oil were brought to the surface for analysis.

Providence has acquired a recently completed Full Tensor Gradiometry (FTG) and magnetic airborne survey carried out over its blocks by Bell Geospace. The drilling of anomalies identified using this technology has been proven to be extremely successful elsewhere in the world in frontier hydrocarbon exploration. The initial evaluation of these data has identified five large anomalies within Providence's acreage. Notably, one of these anomalies is structurally on-trend and just c.10 km from the Ballinlea-1 well. It is now planned to integrate the FTG dataset with existing 2D seismic data and the onshore stratigraphy to high-grade the prospectivity of these anomalies. Further reprocessing of the existing 2D seismic data is also planned in order to progress the area towards drilling. A screening review of potential drilling locations has commenced with options to drill from both offshore as well as onshore sites currently being assessed.

OTHER EXPLORATION ACTIVITIES

DROMBEG, Porcupine Basin, offshore Ireland (80% interest)

The Drombeg prospect is located in the south Porcupine Basin and is held under Licencing Option 11/11. The prospect, which lies in c. 2,500 metre water depth, is c. 220 km offshore and is operated by Providence (80%) on behalf of its partner Sosina Exploration (20%).

As mapped, the Lower Cretaceous Drombeg stratigraphic prospect demonstrates a significant seismic amplitude anomaly and low seismic impedance as well as a marked AVO (amplitude versus offset) response. Providence recently engaged Ikon Science to carry out a rock physics modeling and 2D seismic inversion study of the Drombeg prospect using a number of key 2D seismic lines together with regional well data. This study has concluded that the mapped seismic anomaly is consistent with a modelled hydrocarbon bearing sandstone interval which has a seismically derived thickness of c. 200-300 ft. Providence's mapping shows that the anomaly is aerially extensive covering c. 240 sq km and is interpreted to be the deepwater equivalent of Lower Cretaceous Apto-Albian aged shallow water marine sandstones encountered in the BP-operated 43/13-1 well, drilled in 1988. That well, which was situated c. 80 km from Drombeg, encountered c. 70 ft of net Apto-Albian sandstone (average porosity of c. 19%). An underlying second seismic anomaly has also been identified and modeled to be consistent with hydrocarbon bearing sandstone with a seismically derived thickness of c. 140-200 ft and both anomalies appear to have a potential common down-dip depth termination.

A major Jurassic tilted fault block closure covering c. 150 sq km has been mapped beneath the prospect and a marked fluid escape feature has been identified at its crest. This 'chimney' appears to terminate at the down-dip edge of the Drombeg seismic anomaly and provides potential evidence of hydrocarbon sourcing and migration into the prospect. Providence recently presented these results at the 3rd Central and North Atlantic Conjugate Margins Conference and has received significant interest from major industry players.

NEWGRANGE, Goban Spur Basin, offshore Ireland (40% interest)

The Newgrange prospect is located in the Goban Spur Basin offshore South West Ireland and is held under Licencing Option 11/11 and operated by Repsol, which is recognised as a deepwater drilling expert. The prospect, which lies in c. 1,000 metre water depth is c. 250 km offshore and comprises a large four way dip closed anticline which extends over a c. 1,000 sq km area. Nearby well control suggests the potential for excellent carbonate reservoir with the most recent volumetric analysis indicating a mean gas in place prospective resource potential of c. 14 TSCF.

KYLEMORE & SHANNON, Slyne Basin, offshore Ireland (66.6% interest)

The Kylemore prospect is located c. 20 km south-west of the Corrib field and is interpreted to be a mid-basinal inverted four way dip-closed anticline based on a combination of 2D and 3D seismic data. It is held under Licence Option 11/12 and is located c. 70 km offshore the west coast of Ireland in c. 300 metre water depth. Providence (66.6%) operates the option on behalf of its partner, First Oil Expro Limited. The most recent mapping of the Kylemore prospect indicates that it is structurally analogous to the Corrib Field with a potential gas in place of up to 228 BSCF. The Shannon structure which is fully covered by 3D seismic data is situated c. 10 km south-west of Corrib. An exploration well 18/25-2 drilled in 1999 by Enterprise Oil on the Shannon structure did not encounter the Corrib reservoir and they interpreted the reservoir to be faulted out at the well location. As the Enterprise pre-drill map demonstrated significant structural closure covering c. 23 sq. km, both Providence and First Oil Energy believe that the Shannon structure warrants a complete re-evaluation in the context of any remaining resource potential.

PEGASUS, St George’s Channel Basin, offshore Ireland (100.0% interest)

The Pegasus exploration prospect is located north-west of the Dragon Field in the St George’s Channel in SEL 1/07 where Providence holds 100% equity. The prospect has an estimated prospective resource potential of c. 300 BSCF.

ORPHEUS, St George’s Channel Basin, offshore Ireland (100.0% interest)

The Orpheus exploration prospect lies beneath the Dragon gas field, which straddles the Irish/UK Median Line. It is planned that the deeper Orpheus prospect, which has an estimated prospective resource potential of c. 290 BSCF and is held within SEL 1/07 where Providence holds 100% equity,, would be drilled as part of any appraisal programme of the Dragon Field.

RECENT CORPORATE ACTIVITY

Sale of onshore UK assets to IGas Energy Plc

On September 28th, 2012, the Company announced that it had entered into a conditional agreement with IGas Energy Plc to divest its UK onshore production and development assets (Singleton, Baxter’s Copse and Burton Down) for a total consideration of US$ 66 million. This transaction, which will allow the Company to repay all outstanding indebtedness to Deutsche Bank, is scheduled to close by December. With debt levels at closing to be repaid forecast to be c. US$ 44 million, the balance of the gross sale proceeds of US$ 22 million will be available for general working capital purposes and the Company will be debt free.

PROVIDENCE RESOURCES P.l.c.

Condensed consolidated income statement

For the 6 months ended 30 June 2012

	Notes	6 months ended 30 June 2012 Unaudited €'000	6 months ended 30 June 2011 Unaudited €'000	Year ended 31 December 2011 Audited €'000
Continuing operations				
Revenue	1	7,746	5,717	13,752
Cost of sales		(3,317)	(2,311)	(4,055)
Gross Profit		4,429	3,406	9,697
Administration expenses		(2,703)	(2,130)	(4,074)
Foreign exchange		(1,292)	145	1,541
Pre-licence expenditure		-	(200)	(117)
Loss on disposal of asset		-	-	(381)
Impairment of exploration, evaluation and production assets		(28,298)	(4,412)	(6,635)
Operating (loss) / profit		(27,864)	(3,191)	31
Finance income		178	39	134
Finance expense	3	(2,044)	(6,680)	(5,378)
Loss before income tax		(29,730)	(9,832)	(5,213)
Income tax (expense)		(3,565)	(1,346)	(4,503)
Loss from continuing operations		(33,295)	(11,178)	(9,716)
Loss from discontinued operations (net of income tax)	2	-	(5,177)	(4,224)
Loss for the period		(33,295)	(16,355)	(13,940)
Loss per share (cent) – continuing operations				
Basic loss per share	8	(60.41)	(28.92)	(20.78)
Diluted loss per share	8	(60.41)	(28.92)	(20.78)
Loss per share (cent) – discontinued operations				
Basic loss per share		-	(13.40)	(9.03)
Diluted loss per share		-	(13.40)	(9.03)

PROVIDENCE RESOURCES P.l.c.

Consolidated statement of comprehensive income

For the 6 months ended 30 June 2012

	6 months ended 30 June 2012 Unaudited €'000	**6 months ended 30 June 2011 Unaudited €'000**	**Year ended 31 December 2011 Audited €'000**
Loss for the financial year	**(33,295)**	**(16,355)**	**(13,940)**
Foreign exchange translation differences	**(1,770)**	**5,624**	**(1,533)**
Net change in fair value of cash flow hedges transferred to income statement	**-**	**(1,930)**	**1,342**
Cashflow hedges – net fair value loss	**-**	**(617)**	**(2,449)**
- related deferred tax	**-**	**680**	**2,057**
Total income and expense recognised in other comprehensive income	**(1,770)**	**3,757**	**(583)**
Total comprehensive expense	**(35,065)**	**(12,598)**	**(14,523)**

The total recognised expense for the period is entirely attributable to equity holders of the Company.

PROVIDENCE RESOURCES P.l.c.

Consolidated statement of financial position

As at 30 June 2012

	Notes	30 June 2012 Unaudited €'000	30 June 2011 Unaudited €'000	31 December 2011 Audited €'000
Assets				
Exploration and evaluation assets	4	53,621	14,726	36,214
Development and production assets	5	39,615	53,889	46,159
Property, plant and equipment		27	449	32
Derivative instruments		5,795	-	5,111
Deferred tax		4,749	3,191	5,887
Total non-current assets		103,807	72,255	93,403
Trade and other receivables		22,267	1,929	6,626
Derivative instruments		1,433	-	513
Restricted cash		3,473	2,520	17,491
Cash and cash equivalents		41,145	46,258	18,563
Total currents assets		68,318	50,707	43,193
Total assets		172,125	122,962	136,596
Equity				
Share capital	6	18,123	16,668	16,668
Capital conversion reserve fund		623	623	623
Share premium	6	209,589	130,548	130,548
Singleton revaluation reserve		2,559	2,838	2,650
Convertible bond – equity portion		673	2,944	2,333
Foreign currency translation reserve		(5,425)	3,501	(3,655)
Share based payment reserve		4,512	4,033	4,368
Warrant reserve		-	5,641	5,641
Cashflow hedge reserve		(1,124)	(5,122)	(2,305)
Retained deficit		(174,897)	(152,275)	(148,994)
Total equity attributable to equity holders of the Company		54,633	9,399	7,877
Liabilities				
Loans and borrowings	7	24,520	72,760	30,033
Decommissioning provision		5,525	3,411	5,165
Deferred tax		28,319	19,217	24,091
Derivative instruments		-	1,844	-
Total non-current liabilities		58,364	97,232	59,289
Trade and other payables		39,610	11,645	27,651
Loans and borrowings	7	11,017	-	33,447
Loans and borrowings – prepaid swap	7	8,501	-	8,332
Derivative instruments		-	4,686	-
Total current liabilities		59,128	16,331	69,430
Total liabilities		117,492	113,563	128,719
Total equity and liabilities		172,125	122,962	136,596

PROVIDENCE RESOURCES P.l.c.

Consolidated statement of changes in Equity

For the 6 months ended 30 June 2012

	Share Capital €'000	Capital Conversion Reserve Fund €'000	Share Premium €'000	Singleton Revaluation €'000	Foreign Currency Translation €'000	Share Based Payment €'000	Warrants €'000	Convertible Bond – equity portion €'000	Cashflow Hedge €'000	Retained Deficit €'000	Total €'000
At 1 January 2012	16,668	623	130,548	2,650	(3,655)	4,368	5,641	2,333	(2,305)	(148,994)	**7,877**
Loss for financial period	-	-	-	-	-	-	-	-	-	(33,295)	**(33,295)**
Currency translation	-	-	-	-	(1,770)	-	-	-	-	-	**(1,770)**
Cashflow hedge	-	-	-	-	-	-	-	-	1,181	-	**1,181**
Total comprehensive income	16,668	623	130,548	2,650	(5,425)	4,368	5,641	2,333	(1,124)	(182,289)	**(26,007)**
Share based payment	-	-	-	-	-	144	-	-	-	-	**144**
Warrants redemption	-	-	-	-	-	-	(5,641)	-	-	5,641	-
Bond redemption	-	-	-	-	-	-	-	(1,660)	-	1,660	-
Transfer from Singleton revaluation reserve	-	-	-	(91)	-	-	-	-	-	91	-
Transactions with owners, recorded directly in equity											
Shares issued in year	1,455	-	79,041	-	-	-	-	-	-	-	**80,496**
At 30 June 2012	**18,123**	**623**	**209,589**	**2,559**	**(5,425)**	**4,512**	**-**	**673**	**(1,124)**	**(174,897)**	**54,633**
At 1 January 2011	**15,058**	**623**	**86,918**	**2,919**	**(2,122)**	**3,537**	**5,641**	**2,944**	**(3,255)**	**(136,001)**	**(23,738)**
Loss for financial period	-	-	-	-	-	-	-	-	-	(16,355)	**(16,355)**
Currency translation	-	-	-	-	5,623	-	-	-	-	-	**5,623**
Cashflow hedge	-	-	-	-	-	-	-	-	(1,867)	-	**(1,867)**
Total comprehensive income	15,058	623	86,918	2,919	3,501	3,537	5,641	2,944	(5,122)	(152,356)	**(36,337)**
Share issued in period	1,610	-	43,630	-	-	-	-	-	-	-	**45,240**
Share based payments	-	-	-	-	-	496	-	-	-	-	**496**
Transfer from Singleton revaluation reserve	-	-	-	(81)	-	-	-	-	-	81	-
Transactions with owners, recorded directly in equity											
At 30 June 2011	**16,668**	**623**	**130,548**	**2,838**	**3,501**	**4,033**	**5,641**	**2,944**	**(5,122)**	**(152,275)**	**9,399**
At 1 January 2011	**15,058**	**623**	**86,918**	**2,919**	**(2,122)**	**3,537**	**5,641**	**2,944**	**(3,255)**	**(136,001)**	**(23,738)**
Loss for financial year	-	-	-	-	-	-	-	-	-	(13,940)	**(13,940)**
Currency translation	-	-	-	-	(1,533)	-	-	-	-	-	**(1,533)**
Cashflow hedge	-	-	-	-	-	-	-	-	950	-	**950**
Total comprehensive income	15,058	623	86,918	2,919	(3,655)	3,537	5,641	2,944	(2,305)	(149,941)	**(38,261)**
Transactions with owners, recorded directly in equity											
Shares issued in year	1,610	-	43,630	-	-	-	-	-	-	-	**45,240**

Share based payments	-	-	-	-	-	898	-	-	-	-	**898**
Share options forfeited in year	-	-	-	-	-	(67)	-	-	-	67	-
Transfer from Singleton revaluation reserve	-	-	-	(269)	-	-	-	-	-	269	-
Bond redemption	-	-	-	-	-	-	-	(611)	-	611	-
At 31 December 2011	**16,668**	**623**	**130,548**	**2,650**	**(3,655)**	**4,368**	**5,641**	**2,333**	**(2,305)**	**(148,994)**	**7,877**

PROVIDENCE RESOURCES P.l.c.

Consolidated statement of cash flows

For the 6 months ended 30 June 2012

	6 months ended 30 June 2012	6 months ended 30 June 2011	Year ended 31 December 2011
	Unaudited	**Unaudited**	**Audited**
	€'000	**€'000**	**€'000**
Cash flows from operating activities			
Loss before income tax for the period	**(29,730)**	**(15,009)**	**(9,437)**
Adjustments for:			
Depletion and depreciation	**1,794**	**1,434**	**2,634**
Loss on disposal	**-**	**-**	**381**
Abandonment provision	**365**	**(131)**	**-**
Impairment of exploration and evaluation assets	**-**	**200**	**1,731**
Impairment of production and development assets	**28,298**	**4,412**	**4,904**
Finance income	**(178)**	**(39)**	**(134)**
Finance expense	**2,044**	**6,680**	**5,378**
Equity settled share based payment charge	**144**	**496**	**898**
Foreign exchange	**(3,425)**	**2,982**	**2,307**
Change in trade and other receivables	**(15,641)**	**1,639**	**1,579**
Change in restricted cash	**14,018**	**-**	**(14,971)**
Change in trade and other payables	**11,959**	**2,734**	**18,811**
Interest paid	**(4,537)**	**(3,438)**	**(6,798)**
Tax paid	**-**	**-**	**-**
Hedge repayments	**(581)**	**-**	**(7,714)**
Net cash inflows / (outflows) from operating activities	**4,530**	**1,960**	**(431)**
Cash flows from investing activities			
Interest received	**178**	**39**	**134**
Acquisition of exploration and evaluation assets	**(17,407)**	**(4,809)**	**(27,576)**
Acquisition of development and production assets	**(22,177)**	**(4,327)**	**(8,889)**
Acquisition of property, plant and equipment	**-**	**(511)**	**(38)**
Disposal of development and production assets - AJE	**4,610**		**7,759**
Disposal of development and production assets - Triangle	**-**	**10,475**	**10,475**
Net cash from investing activities	**(34,796)**	**867**	**(18,135)**
Cash flows from financing activities			
Proceeds from issue of share capital	**84,407**	**47,663**	**47,662**
Share capital issue costs	**(3,911)**	**(2,424)**	**(2,422)**
Repayment of loans and borrowings	**(28,027)**	**(10,475)**	**(56,540)**
Proceeds from drawdown of loans and borrowings	**-**	-	**39,033**
Net cash from financing activities	**52,469**	**34,764**	**27,733**
Net increase in cash and cash equivalents	**22,203**	**37,591**	**9,167**
Cash and cash equivalents at 1 January	**18,563**	**9,171**	**9,171**
Effect of exchange rate fluctuations on cash and cash equivalents	**379**	**(504)**	**225**
Cash and cash equivalents at 30 June	**41,145**	**46,258**	**18,563**

PROVIDENCE RESOURCES P.l.c.
Note 1
Segment Reporting

	6 months ended 30 June 2012	6 months ended 30 June 2011	Year ended 31 December 2011
	Unaudited	**Unaudited**	**Audited**
	€'000	**€'000**	**€'000**
Revenue by destination			
UK	7,746	5,717	13,752
Total Revenue	7,746	5,717	13,752
Segment net (loss) for the period			
UK – producing assets	(26,018)	(1,256)	2,977
Republic of Ireland – exploration assets	(275)	(151)	(1,815)
Africa – development assets	144	489	(422)
US – assets	(862)	-	-
Corporate expenses	(853)	(2,273)	(709)
Operating (loss) / profit for the period	(27,864)	(3,191)	31
Segment assets			
UK - producing	46,098	44,382	61,943
Republic of Ireland – exploration assets	70,067	14,726	67,306
Africa - development and production assets	-	12,618	4,637
US	260	231	91
Group assets	55,700	51,005	2,619
Total assets	172,125	122,962	136,596
Segment Liabilities			
UK - producing	(31,280)	(28,000)	(67,201)
Republic of Ireland – exploration	(27,288)	(6,380)	(23,747)
Africa - development and production	-	(65)	-
US	(772)	(968)	(1,343)
Group liabilities	(58,152)	(78,150)	(36,428)
Total Liabilities	(117,492)	(113,563)	(128,719)
Capital Expenditure			
UK – producing assets	22,177	4,167	7,927
Republic of Ireland – exploration assets	17,407	4,786	27,805
Africa – development and production assets	-	183	245
Total Capital Expenditure	**39,584**	**9,136**	**35,977**
Depletion and decommissioning charge			
UK - producing	1,633	1,162	2,505
US – producing assets (discontinued operations)	-	(131)	-
	1,633	1,031	2,505
Impairment charge			
Republic of Ireland – exploration assets	-	-	1,731
UK – development and production assets	28,298	4,412	4,904
	28,298	4,412	6,635

PROVIDENCE RESOURCES P.l.c.
Note 2
Discontinued Operations

	6 months ended 30 June 2012	6 months ended 30 June 2011	Year ended 31 December 2011
	Unaudited	Unaudited	Audited
	€'000	€'000	€'000
Results of discontinued operations			
Revenue	-	(270)	-
Expenses	-	(4,907)	(2,421)
Results from operating activities	**-**	**(5,177)**	**(2,421)**
Income tax charge	-	-	-
Results from operating activities (net of tax)	**-**	**(5,177)**	**(2,421)**
Loss on sale of discontinued operations	-	-	(1,803)
Loss for the period	-	(5,177)	(4,224)
Basic loss per share	-	(0.13)	(9.03)
Diluted loss per share	-	(0.13)	(9.03)
Cashflow from discontinued operations			
Net cash from operating activities	-	(2,196)	279
Net cash from investing activities	-	10,475	16
Net cash from financing activities	-	(10,475)	-
Net cash flows for the period	-	(2,196)	295

PROVIDENCE RESOURCES P.l.c.
Note 3
Finance Expense

	6 months ended 30 June 2012	6 months ended 30 June 2011	Year ended 31 December 2011
	Unaudited	**Unaudited**	**Audited**
	€'000	**€'000**	**€'000**
Interest expense	2,369	3,692	8,918
Net change in fair value of financial assets – measured at fair value through income statement	(1,812)	2,880	(5,624)
Unwinding of discount on decommissioning provision	306	108	370
Reclassification of amounts from hedging reserve on maturity of hedges	1,181	-	1,714
Total finance expense	**2,044**	**6,680**	**5,378**
Recognised directly in equity			
Foreign currency differences on foreign operations	(1,770)	5,624	(1,533)
Effective portion of change in fair value of cashflow hedge	-	(617)	(2,449)
Net change in fair value of cashflow hedge transferred to income statement	-	(1,930)	1,342
Finance (expense) / income recognised directly in equity	**(1,770)**	**3,077**	**(2,640)**

PROVIDENCE RESOURCES P.l.c.
Note 4
Exploration and evaluation assets

	Republic of Ireland	Africa	Total
	€'000	€'000	€'000
Cost and book value			
At 1 January 2011	10,140	-	10,140
Additions	4,708	-	4,708
Cash calls received in period	(407)	-	(407)
Administration expenses capitalised	485	23	508
Impairment charge	(200)	-	(200)
Transfer to development and production assets	-	(23)	(23)
At 30 June 2011	**14,726**	**-**	**14,726**
At 1 January 2011	10,140	-	10,140
Additions	32,972	-	32,972
Administration expenses capitalised	1,007	37	1,044
Cash call received in year	(6,440)	-	(6,440)
Impairment charge	(1,731)	-	(1,731)
Increase in abandonment provision	266	-	266
Transfer to development and production assets	-	(37)	(37)
At 31 December 2011	**36,214**	**-**	**36,214**
At 31 December 2011	36,214	-	36,214
Additions	18,847	-	18,847
Cash calls received in period	(2,054)	-	(2,054)
Administration expenses capitalised	614	-	614
At 30 June 2012	**53,621**	**-**	**53,621**

PROVIDENCE RESOURCES P.l.c.
Note 5
Development and production assets

	UK	US	Africa	Total
	€'000	**€'000**	**€'000**	**€'000**
Cost				
At 1 January 2011	52,995	26,806	12,436	92,237
Additions	3,988	-	160	4,148
Transfer from exploration and evaluation assets	-	-	23	23
Administration expenses	179	-	-	179
Exchange rate adjustment	(2,698)	(2,023)	-	(4,721)
At 30 June 2011	**54,464**	**24,783**	**12,619**	**91,866**
At 1 January 2011	52,995	26,806	12,436	92,237
Additions	7,590	-	208	7,798
Transfer from exploration and evaluation assets	-	-	37	37
Administration expenses	337	-	-	337
Disposed of in year	-	(26,806)	(12,681)	(39,487)
Exchange rate adjustment	911	-	-	911
At 31 December 2011	**61,833**	**-**	**-**	**61,833**
At 1 January 2012	61,833	-	-	61,833
Additions	21,972	-	-	21,972
Administration expenses	205	-	-	205
Exchange rate adjustment	1,764	-	-	1,764
At 30 June 2012	**85,774**	**-**	**-**	**85,774**
Depletion				
At 1 January 2011	8,024	26,806	-	34,830
Charge for the year	1,130	-	-	1,130
Impairment of assets	4,412	-	-	4,412
Exchange rate adjustment	(372)	(2,023)	-	(2,395)
At 30 June 2011	**13,194**	**24,783**	**-**	**37,977**
At 1 January 2011	8,024	26,806	-	34,830
Charge for the year	2,505	-	-	2,505
Impairment of assets	4,904	-	-	4,904
Eliminated on disposal	-	(26,806)	-	(26,806)
Exchange rate adjustment	241	-	-	241
At 31 December 2011	**15,674**	**-**	**-**	**15,674**
At 1 January 2012	15,674	-	-	15,674
Charge for the period	1,633	-	-	1,633
Impairment of assets	28,298	-	-	28,298
Exchange rate adjustment	554	-	-	554
At 30 June 2012	**46,159**	**-**	**-**	**46,159**
Net book value				
At 30 June 2012	**39,615**	**-**	**-**	**39,615**
At 31 December 2011	**46,159**	**-**	**-**	**46,159**
At 30 June 2011	**41,270**	**-**	**12,619**	**53,889**

PROVIDENCE RESOURCES P.l.c.
Note 6
Share Capital and Share Premium

		Number	
Authorised:		000	€'000
At 1 January and 30 June 2011			
Deferred shares of €0.011 each		1,062,442	11,687
Ordinary shares of €0.10 each		123,131	12,313
	Number	Share Capital	Share Premium
Issued:	000	€'000	€'000
Deferred shares of €0.011 each	10,624	12,750	5,691
Ordinary share of €0.10 each	23,088	2,308	81,227
At 1 January 2011	33,712	15,058	86,918
Shares issued	16,097	1,610	46,053
Share issue costs	-	-	(2,423)
At 30 June 2011	**49,809**	**16,668**	**130,548**
At 31 December 2011	**49,809**	**16,668**	**130,548**
Share issued	14,549	1,455	82,952
Share issue costs	-	-	(3,911)
At 30 June 2012	**64,358**	**18,123**	**209,589**

PROVIDENCE RESOURCES P.l.c.
Note 7
Loans and Borrowings

	Deutsche bank loan facility	Deutsche bank loan fees	BNP Revolving Facility	BNP Loan Fees	Convertible Bond	Total
			€'000	€'000	€'000	€'000
At 1 January 2011			47,582	(1,597)	39,802	85,787
Written off to income statement	-	-	-	213	645	858
Repaid during year	-	-	(10,475)	-	-	(10,475)
Foreign exchange	-	-	(3,410)	-	-	(3,410)
At 30 June 2011	**-**	**-**	**33,697**	**(1,384)**	**40,447**	**72,760**
At 1 January 2011	-	-	47,582	(1,597)	39,802	85,787
Drawn down in year	39,033	(808)	-	-	-	38,225
Repaid during year	(3,112)	-	(44,866)	-	(7,735)	(55,713)
Written off to income statement	-	54	-	1,597	1,380	3,031
Foreign exchange	3,230	(32)	(2,716)	-	-	482
At 31 December 2011	**39,151**	**(786)**	**-**	**-**	**33,447**	**71,812**
Repaid during period	(4,918)	-	-	-	(23,109)	(28,027)
Written off to income statement	(1,393)	68	-	-	679	(646)
Foreign exchange	921	(22)	-	-	-	899
At 30 June 2012	**33,761**	**(740)**	**-**	**-**	**11,017**	**44,038**
Analysed as follows:				**30 June 2012**	**31 December 2011**	**30 June 2011**
Non-Current				€'000	€'000	€'000
Credit facility (prepaid swap)				24,520	30,033	-
Revolving credit facility				-	-	32,313
Convertible bond				-	-	40,447
Total				**24,520**	**30,033**	**72,760**
Current						
Credit facility (prepaid swap)				8,501	8,332	-
Convertible bond				11,017	33,447	-
Total				**19,518**	**41,779**	**-**
At end of period				**44,038**	**71,812**	**72,760**

PROVIDENCE RESOURCES P.l.c.
Note 8
Earnings per share

	30 June 2012	30 June 2011	31 December 2011
	Unaudited	**Unaudited**	**Audited**
	€'000	**€'000**	**€'000**
Loss attributable to equity holders of the company from continuing operations	(33,295)	(11,178)	(9,716)
The basic weighted average number of Ordinary share in issue			
In issue at beginning of year	49,809	33,712	33,712
Adjustment for shares issued in period	5,310	4,939	13,054
Weighted average number of ordinary shares	55,119	38,651	46,766
Basic loss per share (cent)	**(60.41)**	**(28.92)**	**(20.78)**
The weighted average number of ordinary shares for diluted earnings per share calculated as follows:			
Weighted average number of ordinary shares	55,119	38,651	46,766
Diluted loss per share (cent)	**(60.41)**	**(28.92)**	**(20.78)**

There is no difference between the loss per ordinary share and the diluted loss per share for the current period as all potentially dilutive ordinary shares outstanding are anti-dilutive.

PROVIDENCE RESOURCES P.l.c.
Note 9
Related party transactions

(a) Mr. Tony O'Reilly Jnr, has through Kildare Consulting Limited, a company beneficially owned by him, renewed a contract for the provision of service to the company outside the Republic of Ireland effective 1 September 2011. The amount paid under the contract from 1 January to 30 June 2012 is €222,525.

(b) The contract referred to in Note 9 (a) above is of two years duration and is subject to one year's notice period.

PROVIDENCE RESOURCES P.l.c.
Note 10
Commitments

The Group has capital commitments of approximately €1.9m to contribute to its share of costs of exploration, evaluation and production activities for the next 6 months.